

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
ANNUAL FINANCIAL REPORT**

Year Ended June 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **NOV 09 2011**

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
June 30, 2011**

TABLE OF CONTENTS

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	18
Statement of Activities.....	19
Fund Financial Statements	
Balance Sheet – Governmental Funds (GAAP Basis).....	20
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Governmental Funds (GAAP Basis)	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – SELFPA-W General Fund	23
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – West Jefferson Levee District	
Operations and Maintenance Special Revenue Fund.....	24
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – Algiers Levee District	
Operations and Maintenance Special Revenue Fund.....	25
Notes to Financial Statements	
Note A – Summary of Significant Accounting Policies	27
Note B – Reconciliation of Government-wide and Fund Financial Statements	33
Note C – Stewardship, Compliance and Accountability	35
Note D – Detailed Notes on All Activities and Funds	
Note D.1 – Deposits with Financial Institutions.....	40
Note D.2 – Investments.....	41
Note D.3 – Receivables.....	42
Note D.4 – Capital Assets.....	43
Note D.5 – Long-Term Debt.....	44
Note D.6 – Fund Balance Components.....	46
Note D.7 – Interfund Transactions.....	46
Note D.8 – Ad Valorem Taxes	47
Note D.9 – Intergovernmental Revenues.....	50
Note E – Commitments and Contingencies	
Note E.1 – Risk Management	50
Note E.2 – Contingent Liabilities	50

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
June 30, 2011**

TABLE OF CONTENTS

Note F – Joint Venture – Westbank Hurricane Protection Levee.....	52
Note G – Lafitte and Vicinity Levees.....	54
Note H – Other Information	
Note H.1 – Pension Plan.....	55
Note H.2 – Deferred Compensation.....	56
Note H.3 – Post-Employment Health Care Benefits	56
Note H.4 – Economic Dependence.....	62
Note H.5 – Prior Period Adjustments	62

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Southeast Louisiana Flood Protection Authority - West (SELFPA-W) - General Fund	
Schedule of Expenditures – Budget to Actual	64
West Jefferson Levee District - Operations and Maintenance Special Revenue Fund	
Schedule of Revenues – Budget to Actual.....	65
Schedule of Expenditures – Budget to Actual	66
Algiers Levee District - Operations and Maintenance Special Revenue Fund	
Schedule of Revenues – Budget to Actual.....	68
Schedule of Expenditures – Budget to Actual	69
West Jefferson Levee District – Emergency Fund Special Revenue Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance	70
Algiers Levee District – Emergency Fund Special Revenue Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance	71
West Jefferson Levee District - Westbank Hurricane Protection Levee Capital Project Fund	
Schedule of Expenditures by Reach	73

SUPPLEMENTARY INFORMATION

Schedule of Commissioners' Per Diems.....	78
Schedule of State Funding	79
Division of Administration Reporting Package.....	80

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	151
Schedule of Findings and Responses.....	153

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Southeast Louisiana Flood Protection Authority – West
Marrero, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2011, which collectively comprise the West Authority’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the West Authority’s management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Authority as of June 30, 2011 and the respective changes in financial position and the budgetary comparison for the West Authority’s General fund, the West Jefferson Levee District O&M Special Revenue Fund and the Algiers Levee District O&M Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated August 31, 2011, on my consideration of the West Authority’s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the West Authority's basic financial statements. The Individual Fund Statements and Schedules and the Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting or other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Paul C. Rivera, CPA". The signature is written in a cursive, flowing style.

Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2011

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST

MANAGEMENT’S DISCUSSION AND ANALYSIS June 30, 2011

As management of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), we offer readers of the West Authority’s financial statements this narrative overview and analysis of the financial activities of the West Authority as of June 30, 2011 and for the fiscal year then ended. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise noted, are expressed in thousands of dollars (\$1,000’s).

FINANCIAL HIGHLIGHTS

- The assets of the West Authority exceeded its liabilities at the close of the most recent fiscal year by \$23,141 (*net assets*). Of this amount, \$8,117 or 35.1 percent reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure) and \$15,024 (*unrestricted net assets*) or 64.9 percent may be used to meet the government’s ongoing obligations to citizens and creditors.
- The West Authority’s total net assets decreased by \$(40,463) or 63.6 percent during 2011.
- As of the close of the current fiscal year, the West Authority’s governmental funds reported combined ending fund balances of \$15,834, an increase of \$2,742 or 20.9 percent. Approximately \$8,428 (53.2 percent) is reported as committed fund balance, \$6,982 (44.1 percent) is assigned fund balance, and \$424 (2.7 percent) is unassigned fund balance and is available for spending at the government’s discretion.
- At the end of the current fiscal year, unassigned fund balance for the West Authority’s General Fund was \$424, which was 108.7 percent of total general fund expenditures (which is higher than the previous year percentage of 53.2 percent).
- The WJLD O&M Special Revenue Fund had fund balance of \$10,341, an increase of \$1,473 from last year. This amount was 211.9 percent of its total current year expenditures.
- The ALD O&M Special Revenue Fund had fund balance of \$4,517, an increase of \$1,259 from last year. This amount was 752.8 percent of its total current year expenditures.
- WJLD and ALD both maintain reserves in Emergency Funds. The committed fund balances relating to these reserves totaled \$5,389 and \$3,039, respectively.
- In 2008, the West Authority issued Certificates of Indebtedness for the West Jefferson Levee District in the amount of \$2,000 to provide funds for the construction of an emergency command center. Payments on this debt totaled \$450 for 2011 (\$400 principal and \$50 interest and paying agent fees).
- The U.S. Army Corps of Engineers continues to work on the Westbank Hurricane Protection Project and is covering 100 percent of the costs at this time. During 2011, previously capitalized infrastructure assets (levees) were removed due to their being replaced or greatly improved upon by the COE and the Coastal Protection and Restoration Authority. An extraordinary item of \$(43,536) is reflected in the Statement of Activities reflecting this deletion.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Southeast Louisiana Flood Protection Authority – West’s (the “West Authority”) basic financial statements. The West Authority’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The “government-wide financial statements” are designed to provide readers with a broad overview of the West Authority’s finances, in a manner similar to a private-sector business.

The “statement of net assets” presents information on all of the West Authority’s assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the West Authority is improving or deteriorating.

The “statement of activities” presents information showing how the government’s net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expense are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the West Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The West Authority only has governmental activities in the public works function. This function includes executive, administrative, and maintenance/construction activities.

The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State’s financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor. The West Authority is a “component unit” of the State of Louisiana.

The West Authority, in turn, has two component units of its own, the West Jefferson Levee District and the Algiers Levee District, that are included (i.e., “blended”) in these financial statements. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority’s Board serves as their oversight boards, they are, in substance, part of the West Authority. The government-wide financial statements of the West Authority can be found on pages 18 and 19 of this report.

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The West Authority’s funds are classified as “governmental funds”.

Governmental funds. “Governmental funds” are used to account for essentially the same functions reported as “governmental activities” in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for “governmental funds” with similar information presented for “governmental activities” in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between “governmental fund” and “governmental activities”.

The West Authority and its component units maintain various funds that are grouped for management purposes into various fund types. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the WJLD O&M Special Revenue Fund, The ALD O&M Special Revenue Fund, the WJLD Emergency Special Revenue Fund, the ALD Emergency Special Revenue Fund, the WJLD Westbank Hurricane Capital Projects Fund, and the WJLD Lafitte Levee Capital Projects Fund. All of these funds are considered to be “major” funds.

The West Authority adopts annual budgets for its General fund, the WJLD O&M Special Revenue Fund and the ALD O&M Special Revenue Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 20 - 26 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 62 of this report.

Other information. Individual fund statements and schedules, which show additional detailed financial information, are presented immediately following the notes to the financial statements on pages 63 – 74. Supplementary information, including a Schedule of Commissioners’ Per Diem, a Schedule of State Funding, a Schedule of Expenditures of Federal Awards, and the Division of Administration’s Reporting Package, is included on pages 75 - 148. The Compliance reports required by *Government Auditing Standards* are on pages 149 to 153.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the West Authority, assets exceeded liabilities by \$23,141 at June 30, 2011.

A large portion of the West Authority's net assets (35.1 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, vehicles and heavy equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The West Authority used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the West Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST NET ASSETS

	Governmental Activities			
	2011		2010	
Current and other assets	\$ 15,914		\$ 13,091	
Capital assets	8,917		52,320	
Total assets	<u>24,831</u>		<u>65,411</u>	
Long-term liabilities outstanding	1,609		1,807	
Other liabilities	81		-	
Total liabilities	<u>1,690</u>		<u>1,807</u>	
Net Assets				
Invested in capital assets, net of related debt	8,117	35.1%	51,119	80.4%
Restricted	-	0.0%	-	0.0%
Unrestricted	<u>15,024</u>	64.9%	<u>12,485</u>	19.6%
Total net assets	<u>\$ 23,141</u>		<u>\$ 63,604</u>	

The remaining balance of *unrestricted net assets* (\$15,024 or 64.9 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2011, the West Authority is able to report positive fund balances in all three categories of net assets.

The West Authority's net assets decreased by \$(40,463) or 63.6% during 2011.

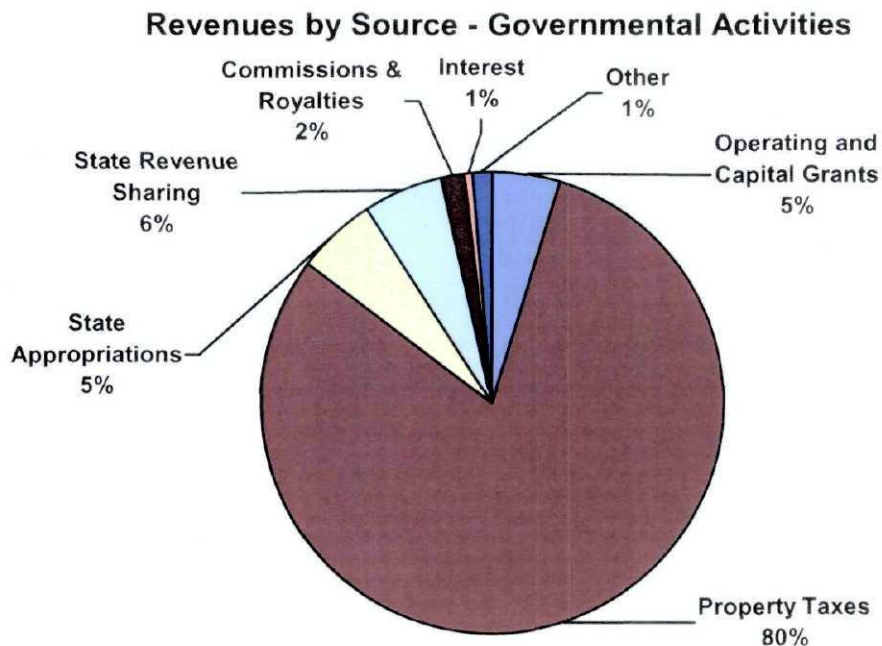
Governmental Activities. Governmental activities decreased the West Authority's net assets by \$940,463). Key elements of this decrease are as follows:

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
CHANGES IN NET ASSETS**

	Governmental Activities	
	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$ -	\$ -
Operating grants and contributions	-	(14)
Capital grants and contributions	429	352
General revenues:		
Property taxes	7,291	7,083
State appropriations	500	500
State revenue sharing	506	510
Commissions and royalties	151	38
Interest	51	50
Gain (loss) on sale of equipment	79	31
Other	41	33
Total revenues	<u>9,048</u>	<u>8,583</u>
Expenses:		
Public works		
Executive	468	529
Administrative	1,049	1,216
Maintenance	3,935	3,056
Nondepartmental	473	484
Unallocated depreciation	-	1,095
Interest on long-term debt	50	66
Total expenses	<u>5,975</u>	<u>6,446</u>
Increase in net assets	<u>3,073</u>	<u>2,137</u>
Extraordinary Items		
Transfer of assets to COE/CPRA	(43,536)	-
	<u>(43,536)</u>	<u>-</u>
Increase in net assets	(40,463)	2,137
Net assets - Beginning of year	63,604	61,467
Net assets - end of year	<u>\$ 23,141</u>	<u>\$ 63,604</u>

- Capital grants totaled \$429, an increase of \$77, due primarily to additional revenues related to the East of Harvey Interim Flood Protection Project. Revenues of \$352 were recognized in the prior year from the State Capital Outlay Program for this project. Current year funds also came from this same source.
- Property taxes totaled \$7,291, an increase of \$208. Taxes for the West Jefferson Levee District made up \$4,898 of this total, an increase of \$166 or 3.5 percent. This increase relates to increases in the value of the assessment rolls. The WJLD levied the same millage rate as in the previous year. The remaining \$2,393 represents taxes allocated to the Algiers Levee District. This amount is \$42 or 1.8 percent higher than last year due to higher assessed values in Orleans Parish.

- State appropriations are provided for operations of the West Authority. The total amount received for 2011 and 2010 totaled \$500. This amount is set by statute.
- State revenue sharing totaled \$506 - \$455 for the West Jefferson Levee District and \$51 for the Algiers Levee District. These amounts are distributed based on the enabling statute.
- Commissions and royalties totaled \$151, an increase of \$113. Most of this increase related to a right of way granted to an electric utility.
- Interest income was \$51, an increase of \$1 as rates remained stagnantly low.
- Gain or loss on sale of equipment was \$79 this year as surplus assets were auctioned off.
- An extraordinary item of \$(43,536) was recognized due to the transfer/deletion of infrastructure assets previously capitalized by the West Jefferson Levee District. These infrastructure assets (levees) have essentially been replaced by new levees constructed and owned by the Corps of Engineers and the Coastal Protection and Restoration Authority.



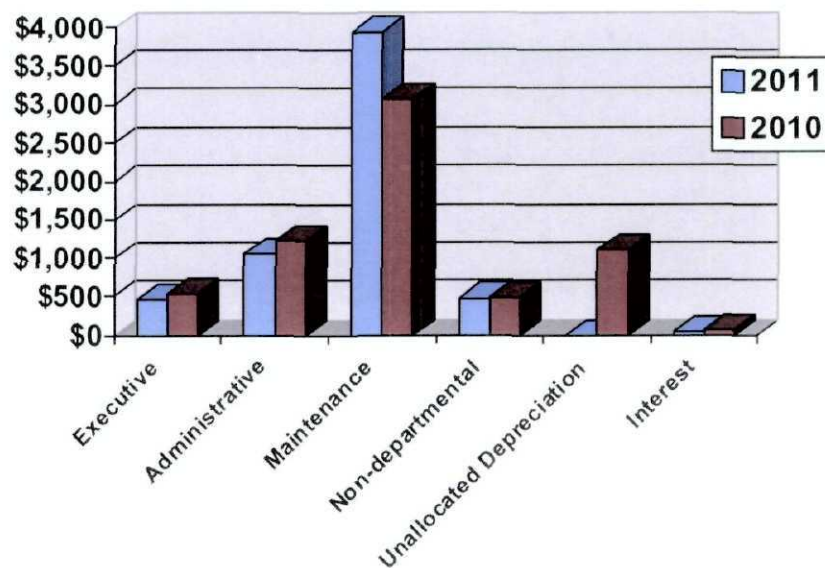
Expenses totaled \$5,975. A description of each function follows:

- The Executive function totaled \$468, a decrease of \$(61) from last year. This includes costs for the Commissioners' per diems, legal and auditing fees, consulting fees and dues and subscriptions. The SELFPA-W General Fund saw a decrease of \$(95), primarily in salaries and benefits and other professional services (related to legal fees, computer consulting, etc.). There was also an increase in depreciation of \$15. The WJLD O&M Fund also saw an increase of \$36, primarily in legal fees. The ALD O&M Fund saw a decrease of \$(16), primarily in computer consulting, as the work order system was rewritten during the year, and an increase of \$12 in legal fees.
- The Administrative function totaled \$1,049, a decrease of \$(167) from last year. SELFPA-W General Fund saw an increase of \$31, primarily in salaries and benefits and office supplies. The WJLD O&M Fund saw a decrease of \$(223) - \$(175) in salaries and benefits, \$(25) in

travel and conventions, and \$(23) in repairs and maintenance. The decrease in salaries and benefits relates to the position of in-house engineer being vacated. Repairs and maintenance was down due to the completion of the emergency command center (non-recurring costs). The ALD O&M Fund saw a decrease of \$(7), primarily in office supplies. There was also an increase of \$18 in depreciation in this function as well. Finally, there was an increase of \$14 in expenses related to recording OPEB required contributions.

- The Maintenance function totaled \$3,935, an increase of \$879 over last year. \$190 of this increase was seen in the WJLD O & M Fund, as new salaries and benefits were added as well as overtime. This included the expenditure of \$127 on emergency activities. The ALD O&M Fund saw an increase of \$96, as maintenance activity in Algiers were increased during the year. The Westbank Hurricane Protection Levee spent \$537 on repairs and acquisition costs. There was an increase of \$5 in depreciation expense charged to this function. Finally, there was an increase of \$52 in expenses related to recording OPEB required contributions.
- Non-departmental function totaled \$473, a decrease of \$(12). This amount represents the cost of liability insurance for each fund and withholdings from the ad valorem tax allocations of the West Jefferson Levee District. Most of the decrease was in insurance premiums as the WJLD O&M Fund's premiums went down \$(12) and ALD O&M Fund went down \$(3). These decreases were offset slightly by an increase WJLD O&M Fund's contribution to state retirement systems out of their ad valorem tax allocation.
- Unallocated depreciation totaled \$-0-, down \$(1,095) from last year. This amount represented depreciation on infrastructure (i.e., levees) that was not allocated to any of the functions. For 2011, these infrastructure assets were removed from the books of the West Authority as the Corps of Engineers and the Coastal Protection and Restoration Authority replaced these levee systems.
- Interest on long-term debt totaled \$50 for 2011 as payments on the Certificates of Indebtedness were made during the year.
- As can be seen in the graph below, the expenses in each function remained relatively the same as the prior year.

**Southeast Louisiana Flood Protection Authority - West
Expenses by Function/Segment**



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the West Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the West Authority's "governmental funds" is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the West Authority's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2011, the West Authority's governmental funds reported a combined ending fund balance of \$15,834, an increase of \$2,742 or 20.9 percent in comparison to the prior year. Of the total, \$424 is reported in the General Fund, \$14,858 is in Special Revenue Funds, and \$552 is in Capital Project Funds.

The **General Fund** is the chief operating fund of the West Authority. At June 30, 2011, the unassigned fund balance of the General Fund totaled \$424. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. For 2011, unassigned fund balance represents 108.7 percent of total general fund expenditures (an increase from the prior year percentage of 53.2).

The fund balance of the West Authority's General fund increased by \$118 during the current fiscal year. Key factors in this increase are as follows:

- The General Fund's revenues totaled \$508, expenditures totaled \$390, and other financing sources (uses) totaled \$-0-, resulting in the net increase of \$118.
- Intergovernmental revenues (state appropriations) totaled \$500, the same as last year. This represents 98.4 percent of General Fund revenues.
- As noted above, the West Authority's expenditures totaled \$390. This was made up of the following:
 - \$59 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions
 - \$285 in the Administrative Function – made up mostly of administrative salaries and benefits, supplies, charges for telephones and other administrative costs.
 - \$6 in Maintenance Function – related to utilities.
 - \$18 in Non-departmental Function – made up of unallocated liability insurance costs.
 - \$22 in Capital Outlay – due to the purchase of computer equipment.

The **WJLD O&M Special Revenue Fund** is the chief operating fund of the West Jefferson Levee District. At June 30, 2011, the fund balance of this Special Revenue Fund totaled \$10,341, an increase of \$1,473 or 16.6 percent from prior year. Of this amount, \$5,389 is committed to funding emergency activities.

As a measure of the WJLD O&M Fund's liquidity, it may be useful to compare both assigned fund balance and total fund balance to total fund expenditures. For 2011, assigned fund balance represents 101.5 percent of total fund expenditures and total fund balance represents 211.9 percent of total fund expenditures. These are increases over last year's percentages of 94.5 percent and 177.9 percent.

The fund balance of the WJLD O&M Special Revenue fund increased by \$1,473 during the current fiscal year. Key factors in this increase are as follows:

- The WJLD O&M Fund's revenues totaled \$5,565, expenditures totaled \$4,878, and other financing sources (uses) totaled \$786, resulting in the net increase of \$1,473.
- Property taxes totaled \$4,898, an increase of \$166 or 3.5 percent, due primarily to increases in the assessed values of property in the district during the year.
- Intergovernmental revenues totaled \$455, an increase of \$15 from last year. This increase was seen in the FEMA reimbursements and the state revenue sharing appropriation.
- Services charges totaled \$150, an increase of \$112 over last year. Most of this increase was caused by the right of way permit sold to a utility company.
- Interest totaled \$36, a drop of \$(5) from last year. This was due to lower interest rates.
- Miscellaneous income totaled \$25, a decrease of \$(7) from last year.
- As noted above, the WJLD O&M Fund's expenditures totaled \$4,878. This was made up of the following:
 - \$267 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions. This function saw an increase of \$36 due to increases in professional services (primarily legal fees).
 - \$562 in the Administrative Function – made up mostly of administrative costs. This function saw a decrease of \$(223), primarily in salaries and benefits (due to the position of the Regional Engineer being vacated), repairs and maintenance (as the command center project wrapped up), and travel and conventions.
 - \$2,830 in the Maintenance Function – made up of levee maintenance-related costs. This function saw an increase of \$190, \$225 in salaries and benefits, \$31 in building repairs, \$(28) in equipment rental, \$(21) in gas and oil, and \$(13) in levee supplies and materials.
 - \$386 in the Non-departmental Function – made up of unallocated liability insurance costs and withholdings by the State from the ad valorem tax revenues. This amount decreased \$(7) from the prior year as insurance premiums went down \$(13) and the share of pension contributions withheld from property taxes went up \$7.
 - Debt Services totaled \$450, related to paying off the outstanding certificates of indebtedness (\$400 principal and \$50 interest).
 - \$384 in Capital Outlay – due to the purchase of tractors, mowers and other equipment.
- Other Financing Sources (Uses) netted out to \$786. This amount is made up of \$609 in transfers in and \$177 was recognized in proceeds from the sale of equipment.

The **ALD O&M Special Revenue Fund** is the chief operating fund of the Algiers Levee District. This is a new district that was formed by Act 475 of the 2007 Legislative Session. At June 30, 2011, the assigned fund balance of this Special Revenue Fund totaled \$4,518, an increase of \$1,259 or 38.6 percent from the prior year. Of this amount, \$3,039 is committed to funding emergency activities.

As a measure of the ALD O&M Fund's liquidity, it may be useful to compare both assigned fund balance and total fund balance to total fund expenditures. For 2011, assigned fund balance represents 246.5 percent of total fund expenditures and total fund balance represents 752.8 percent of total fund expenditures. These are decreases over last year's percentages of 454.4 percent and 1,074.9 percent.

The fund balance of the ALD O&M Special Revenue fund increased by \$1,259 or 38.6 percent. Key factors in this increase are as follows:

- The ALD O&M Fund's revenues totaled \$2,468, expenditures totaled \$600, and other financing sources (uses) totaled \$(609), resulting in the net increase of \$1,259.
- Property taxes totaled \$2,393, an increase of \$42 or 1.8 percent from the prior year. The increase was a result of increases in the Orleans Parish assessment rolls. This amount was net of amounts withheld by Orleans Levee District for debt service in the amount of \$55.
- Intergovernmental revenues (state revenue sharing) totaled \$51, a decrease of \$(4) from last year.
- Interest totaled \$14, up \$5 over last year as cash balances earning interest increased.
- As noted above, the ALD O&M Fund's expenditures totaled \$600. This was made up of the following:
 - \$92 in the Executive Function – made up of legal fee, accounting fees, and computer consulting fees.
 - \$44 in the Administrative Function – made up of telephone, internet, and office supplies
 - \$167 in the Maintenance Function – made up of utilities and levee maintenance-related costs.
 - \$69 in non-departmental costs – primarily related to insurance.
 - \$227 in capital outlay – purchases of mowers and tractors for the district.
- Other Financing Sources (Uses) netted out to \$(609). This amount is made up of \$-0- in transfers in and \$(609) in transfers out to the WJLD O&M Fund for maintenance services.

The **WJLD Westbank Hurricane Levee Capital Project fund** has a total fund balance of \$551 at year-end, a decrease of \$(108) from last year. \$429 was received from State's Coastal Protection and Restoration Fund to build an interim levee at the Harvey Canal. \$537 was spent on surveys, abstracts, and legal fees on the Westbank Hurricane Levee in the current year.

For budgetary purposes, the West Authority budgets the activities of the **WJLD Emergency Special Revenue fund** and the **ALD Emergency Special Revenue Fund** separately from the O&M funds of each district. At June 30, 2011, these funds had fund balances of \$5,389 and \$3,039, respectively. For GAAP purposes, these funds are merged into the applicable O&M Special Revenue Fund and the fund balances are shown as committed fund balance.

BUDGETARY HIGHLIGHTS

Revenues

The revenues of the **West Authority's General Fund** were relatively stable. The original budget called for a total of \$500, while the amended budget had revenues of \$501. Overall, revenues came in \$7 or 1.4 percent over budget.

The **WJLD O & M Special Revenue Fund's** final budget called for revenues of \$5,387, an increase of \$316 over the original budget. The largest increase was seen in property taxes (up \$194). Service Charges as oil and gas royalties were increased \$100 to reflect the sale of a right of way permit to a utility company. Finally, miscellaneous income went up \$25 to reflect the proceeds of an insurance claim.

Overall, revenues came in \$164 or 3.0 percent over budget. The largest variance was \$177 in property taxes as collections from the end of year tax sale were accrued.

The **ALD O & M Special Revenue Fund's** final budget called for revenues of \$2,499, an increase of \$711 over the original. The largest increase was in property taxes, which increased \$715 as the assessments in Orleans Parish went up more than expected. ALD only recognizes the net amount of taxes given to it by Orleans Levee, after deducting funds for Orleans Levee's debt service. Thus, property taxes of \$2,450 are shown on the final budget. Overall, revenues came in \$(38) or 1.5 percent less than budgeted.

Expenditures

Overall, the expenditures of the West Authority and its major operating funds came in at or near budget.

The **West Authority's General Fund** expenditures were \$2 less than the budgeted amount of \$392. All functions were basically right at or slightly over or under budget.

The **WJLD O&M Special Revenue Fund** expenditures were \$5 less than the budgeted amount of \$4,756. All functions were basically right at or slightly over or under budget.

The **ALD O&M Special Revenue Fund** expenditures were \$2 more than the budgeted amount of \$598. The largest variance was in legal fees.

Amendments were made during the year to the expenditures of the West Authority and its two main component units. The following is a recap of the changes made by Fund and Function.

<i>Fund/Object Level</i>	<i>Original Budget</i>	<i>Amendments</i>	<i>Final Budget</i>
SELFPA-W General Fund			
Executive	\$ 141	\$ (81)	\$ 60
Administrative	307	(20)	287
Maintenance	4	-	4
Non-departmental	21	(3)	18
Property, plant and equipment	-	23	23
	<u>\$ 473</u>	<u>\$ (81)</u>	<u>\$ 392</u>
WJLD O & M Special Revenue Fund			
Executive	\$ 213	\$ 16	\$ 229
Administrative	854	(283)	571
Maintenance	2,663	78	2,741
Non-departmental	410	(29)	381
Debt service	500	(50)	450
Property, plant and equipment	664	(280)	384
	<u>\$ 5,304</u>	<u>\$ (548)</u>	<u>\$ 4,756</u>
ALD O & M Special Revenue Fund			
Executive	\$ 89	\$ (6)	\$ 83
Administrative	34	12	46
Maintenance	62	111	173
Non-departmental	79	(10)	69
Property, plant and equipment	-	227	227
	<u>\$ 264</u>	<u>\$ 334</u>	<u>\$ 598</u>

The SELFPA-W General Fund budget for property, plant and equipment decreased \$(81). The largest drops were made in salaries, benefits and professional services. Property, plant and equipment increased \$23 to purchase additional computer software and equipment.

The two largest changes in the WJLD O&M Fund were in Administrative – down \$(283) and Property, Plant and Equipment – down \$(280). Administrative costs were reduced to reflect the regional engineering position being vacated. Repairs and maintenance were also decreased to reflect the completion of the command center renovations. Property, Plant and Equipment was reduced due to anticipated purchases of heavy equipment being lowered.

The two largest changes in the ALD O&M Fund were in Maintenance – up \$111 and Property, plant and equipment – up \$227. Maintenance was up due to an increase in activity in the district (particularly along the Algiers Canal and the Mississippi River levees). Property, plant and equipment was increased to account for the purchase of heavy equipment (tractors and mowers).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The West Authority's investment in capital assets for its governmental activities as of June 30, 2011 amounts to \$51,119 (net of accumulated depreciation and outstanding debt). This investment in capital assets includes land, buildings, furniture and equipment, vehicles and heavy equipment. The West Authority's investment in capital assets decreased by \$(145) or 0.3 percent.

Major capital asset events during the current fiscal year included the following:

- \$101 was spent on furniture and fixtures, mostly laptops and communication equipment.
- \$533 was spent on machinery and equipment, mostly new tractors and mowers
- \$407 was removed from Vehicles and Heavy Equipment, as surplus items were sold
- \$51,502 of infrastructure assets (levees) were removed from the books of the West Authority as these levees have been replaced by work done by the Corps of Engineers
- Current year depreciation expense totaled \$402.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities	
	2011	2010
Land	\$ 5,788	\$ 5,788
Construction in progress	-	-
Buildings	1,899	2,055
Furniture and equipment	243	198
Vehicles and heavy equipment	987	742
Infrastructure	-	43,536
Total	<u>8,917</u>	<u>52,319</u>
Related Debt	800	1,200
Net Investment in Fixed Assets	<u>\$ 8,117</u>	<u>\$ 51,119</u>

The infrastructure assets (primarily levees) were removed from the books of the West Authority as it was determined that the levees previously capitalized by the West Jefferson Levee District have been replaced or greatly improved upon by the construction of the new Westbank Hurricane Protection Levee. This new levee was built post-Katrina by the Corps of Engineers (COE) and the Coastal Protection and Restoration Authority (CPRA). An extraordinary item of \$(43,536) was recorded to reflect the transfer/deletion of these assets.

Additional information on the West Authority's capital assets can be found in Note D.3 in the footnotes.

Long-term Debt. At the end of the current fiscal year, the West Authority long-term debt totaled \$1,609. This amount is made up of \$228 in compensated absences, \$800 in Certificates of Indebtedness, and \$571 in Other Post-Employment Benefits (OPEB).

\$2,000 in Certificates of Indebtedness was issued in 2008 to finance the construction of the Emergency Command Center. During 2011, payments of \$450 (including \$50 of interest) were made on this debt.

The \$571 in OPEB relates to the calculated amount of unfunded actuarial contributions that have been accrued on the financial statements. To date, the West Authority is not able to fund the actuarially calculated liability for OPEB.

Additional information on the West Authority's long-term debt can be found in Note D.4 and Note H.3 in the footnotes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the New Orleans Metropolitan Area, which includes the Parish of Jefferson, is currently 7.8 percent, which is an increase from a year ago. Since Hurricanes Katrina and Rita, the rate has fluctuated as the population in the metropolitan area shifts. The recession currently gripping the country has also played a part in increasing this rate.
- Inflationary trends in the region compare favorably to national indices.
- It is anticipated that the State appropriation for operations will continue in the coming years.
- The millage rates for the West Jefferson Levee District and the Algiers Levee District are expected to stay the same. It has been the West Authority's policy to roll their millages forward when allowed to in order to keep up with inflation.

All of these factors were considered in preparing the West Authority's budgets for the 2011/2012 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the West Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, Southeast Louisiana Flood Protection Authority – West, 7001 River Road, Marrero, LA 70072.

BASIC FINANCIAL STATEMENTS

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2011**

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 15,525,256
Investments	273,810
Receivables (net of allowance for uncollectibles)	115,324
Internal balances	-
Capital assets (net of accumulated depreciation)	
Land	5,787,724
Buildings	1,899,687
Furniture and fixtures	242,805
Machinery, vehicles and equipment	986,789
Infrastructure	-
Construction in progress	-
TOTAL ASSETS	24,831,395
LIABILITIES	
Accounts payable and other current liabilities	80,835
Accrued payroll and deductions	-
Revenue/grant anticipation notes payable	-
Accrued interest payable	-
Unearned revenue	-
Noncurrent liabilities:	
Due within one year	638,233
Due in more than one year	970,871
TOTAL LIABILITIES	1,689,939
NET ASSETS	
Invested in capital assets, net of related debt	8,117,005
Restricted for:	
Debt service	-
Other	-
Unrestricted	15,024,451
TOTAL NET ASSETS	\$ 23,141,456

The accompanying notes are an integral part of this statement.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

19

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET (GAAP BASIS)
JUNE 30, 2011

	SELF-PAID GENERAL FUND	WILD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WILD EMERGENCY FUND	ALD EMERGENCY FUND	WILD HURRICANE PROTECTION LEVEE	WILD LAFITTE LEVEE	TOTAL GOVERNMENTAL FUNDS
ASSETS								
Cash and cash equivalents	\$ 3,221,287	\$ 8,662,802	\$ 3,620,210	\$ -	\$ -	\$ 20,937	\$ -	\$ 15,525,256
Investments	-	-	273,810	-	-	-	-	273,810
Receivables (net of allowance for uncollectibles)	-	103,684	-	-	-	11,640	-	115,324
Due from other funds	-	2,162,901	1,150,000	-	-	578,351	-	3,891,252
TOTAL ASSETS	\$ 3,221,287	\$ 10,929,387	\$ 5,044,040	\$ -	\$ -	\$ 610,928	\$ -	\$ 19,805,642
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 977	\$ 10,129	\$ 10,253	\$ -	\$ -	\$ 59,476	\$ -	\$ 80,835
Accrued payroll and deductions	-	-	-	-	-	-	-	-
Due to other funds	2,796,607	578,351	516,294	-	-	-	-	3,891,252
Revenue/grant anticipation notes payable	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	2,797,584	588,480	526,547	-	-	59,476	-	3,972,087
Fund Balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	5,389,463	3,038,565	-	-	-	-	8,428,028
Assigned	-	4,951,444	1,478,928	-	-	551,452	-	6,981,824
Unassigned	423,703	-	-	-	-	-	-	423,703
TOTAL FUND BALANCES	423,703	10,340,907	4,517,493	-	-	551,452	-	15,833,555
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,221,287	\$ 10,929,387	\$ 5,044,040	\$ -	\$ -	\$ 610,928	\$ -	
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds</p> <p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</p>								
Net Assets of Governmental Activities								\$ 23,141,456

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2011

	SELF-A-W GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WJLD HURRICANE PROTECTION LEVEE	TOTAL GOVERNMENTAL FUNDS
REVENUES							
Taxes							
Property taxes	\$ -	\$ 4,897,913	\$ 2,393,270	\$ -	\$ -	\$ -	\$ 7,291,183
Intergovernmental							
Federal	-	-	-	-	-	-	-
State	500,000	454,966	51,400	-	-	428,534	1,434,900
Parish/Local	-	-	-	-	-	-	-
Service charges, fees, and commissions	-	150,377	400	-	-	-	150,777
Interest	1,350	36,013	13,715	-	-	98	51,216
Miscellaneous	6,817	25,114	9,020	-	-	-	41,151
TOTAL REVENUES	508,207	5,554,583	2,467,805	-	-	428,632	8,969,227
EXPENDITURES							
Current							
Public Works							
Executive	59,031	266,631	92,246	-	-	-	417,908
Administrative	284,927	561,507	43,946	-	-	-	890,380
Maintenance	5,728	2,830,325	167,460	-	-	536,568	3,540,081
Non-departmental	17,887	385,804	69,208	-	-	-	472,899
Debt Service							
Principal	-	400,000	-	-	-	-	400,000
Interest	-	49,747	-	-	-	-	49,747
Capital outlay							
Property, plant and equipment	22,558	384,206	227,346	-	-	-	634,110
Levee construction projects	-	-	-	-	-	-	-
TOTAL EXPENDITURES	399,131	4,878,220	600,206	-	-	536,568	6,405,125
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	118,076	686,363	1,867,599	-	-	(107,936)	2,564,102
OTHER FINANCING SOURCES (USES)							
Transfers in	-	608,867	-	-	-	-	608,867
Transfers out	-	-	(608,867)	-	-	-	(608,867)
Sale of capital assets	-	177,535	-	-	-	-	177,535
Bond proceeds	-	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	786,402	(608,867)	-	-	-	177,535
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	118,076	1,472,765	1,258,732	-	-	(107,936)	2,741,637
FUND BALANCE							
Beginning of year, as restated	305,627	8,868,142	3,258,761	-	-	659,388	13,091,918
End of year	\$ 423,703	\$ 10,340,907	\$ 4,517,493	\$ -	\$ -	\$ 551,452	\$ 15,833,555

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Amounts reported for governmental activities in the Statement of Activities (page 19) are different because:

Net change in fund balances - total governmental funds (page 21)	\$	2,741,637
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		232,074
---	--	---------

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		(43,634,639)
--	--	--------------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of long-term debt (certificates of indebtedness)	-
Payment of long-term debt (certificates of indebtedness)	400,000
Increase in compensated absences	(7,168)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, including expense of annual required contribution for OPEB.	(194,557)
---	-----------

Net change in net assets of governmental activities plus extraordinary item (page 19)	<u>\$</u>	<u>(40,462,653)</u>
---	-----------	---------------------

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL
REVENUES						
Intergovernmental						
State	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Service charges, fees, and commissions	-	-	-	-	-	-
Interest	1,390	-	1,390	1,050	340	500
Miscellaneous	6,817	-	6,817	-	6,817	-
TOTAL REVENUES	508,207	-	508,207	501,050	7,157	500,500
EXPENDITURES						
Current						
Public Works						
Executive	59,031	-	59,031	60,303	1,272	141,447
Administrative	284,927	-	284,927	287,421	2,494	307,210
Maintenance	5,728	-	5,728	3,505	(2,223)	3,561
Non-departmental	17,888	-	17,888	17,887	(1)	20,616
Capital outlay						
Property, plant and equipment	22,557	-	22,557	22,558	1	-
TOTAL EXPENDITURES	390,131	-	390,131	391,674	1,543	472,834
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	118,076	-	118,076	109,376	8,700	27,666
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	118,076	-	118,076	109,376	8,700	27,666
FUND BALANCE						
Beginning of year	305,627	-	305,627	305,627	-	305,627
End of year	\$ 423,703	\$ -	\$ 423,703	\$ 415,003	\$ 8,700	\$ 333,293

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property taxes	\$ 4,897,913	\$ -	\$ 4,897,913	\$ 4,720,647	\$ 177,266	\$ 4,525,717
Intergovernmental						
Federal	-	-	-	-	-	-
State	454,966	-	454,966	470,274	(15,308)	470,274
Service charges, fees, and commissions	150,377	-	150,377	150,377	-	50,510
Interest	36,013	13,822	22,191	20,547	1,644	25,000
Miscellaneous	25,314	-	25,314	25,314	-	-
TOTAL REVENUES	5,564,583	13,822	5,550,761	5,387,159	163,602	5,071,501
EXPENDITURES						
Current						
Public Works						
Executive	266,631	28,213	238,418	228,493	(9,925)	212,961
Administrative	561,507	1,699	559,808	570,872	11,064	854,229
Maintenance	2,830,325	97,532	2,732,793	2,741,498	8,705	2,662,701
Non-departmental	385,804	-	385,804	380,745	(5,059)	410,204
Debt Service						
Principal	400,000	-	400,000	400,000	-	450,000
Interest	49,747	-	49,747	49,747	-	50,000
Capital outlay						
Property, plant and equipment	384,206	-	384,206	384,206	-	664,000
Levee construction projects	-	-	-	-	-	-
TOTAL EXPENDITURES	4,878,220	127,444	4,750,776	4,755,561	4,785	5,304,095
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	686,363	(113,622)	799,985	631,598	168,387	(232,594)
OTHER FINANCING SOURCES (USES)						
Transfers in	608,867	-	608,867	608,867	-	465,333
Transfers out	-	1,350,000	(1,350,000)	(1,350,000)	-	(376,950)
Sale of capital assets	177,535	-	177,535	177,535	-	66,689
Bond proceeds	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	786,402	1,350,000	(563,598)	(563,598)	-	155,072
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	1,472,765	1,236,378	236,387	68,000	168,387	(77,522)
FUND BALANCE						
Beginning of year, as restated	8,868,142	4,153,085	4,715,057	4,715,057	-	4,715,057
End of year	\$ 10,340,907	\$ 5,389,463	\$ 4,951,444	\$ 4,783,057	\$ 168,387	\$ 4,637,535

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

ALGERS LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property taxes	\$ 2,393,270	\$ -	\$ 2,393,270	\$ 2,450,000	\$ (56,730)	\$ 1,735,000
Intergovernmental						
State	51,400	-	51,400	42,449	8,951	42,449
Service charges, fees, and commissions	400	-	400	400	-	255
Interest	13,715	7,325	6,390	5,683	707	10,000
Miscellaneous	9,020	-	9,020	-	9,020	-
TOTAL REVENUES	2,467,805	7,325	2,460,480	2,498,532	(38,052)	1,787,704
EXPENDITURES						
Current						
Public Works						
Executive	92,246	-	92,246	82,937	(9,309)	89,262
Administrative	43,946	-	43,946	45,760	1,814	33,480
Maintenance	167,460	-	167,460	172,576	5,116	61,447
Non-departmental	69,208	-	69,208	69,167	(41)	79,380
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay						
Property, plant and equipment	227,346	-	227,346	227,346	-	-
Levee construction projects	-	-	-	-	-	-
TOTAL EXPENDITURES	600,206	-	600,206	597,786	(2,420)	263,569
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,867,599	7,325	1,860,274	1,900,746	(40,472)	1,524,135
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(608,867)	1,150,000	(1,758,867)	(1,758,867)	-	(1,451,403)
Sale of capital assets	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(608,867)	1,150,000	(1,758,867)	(1,758,867)	-	(1,451,403)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	1,258,732	1,157,325	101,407	141,879	(40,472)	72,732
FUND BALANCE						
Beginning of year, as restated	3,258,761	1,881,240	1,377,521	1,337,521	40,000	1,337,521
End of year	<u>\$ 4,517,493</u>	<u>\$ 3,038,565</u>	<u>\$ 1,478,928</u>	<u>\$ 1,479,400</u>	<u>\$ (472)</u>	<u>\$ 1,410,253</u>

The accompanying notes are an integral part of this statement.

(THIS PAGE LEFT BLANK INTENTIONALLY)

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the West Authority’s accounting policies are described below.

1. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected or appointed officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The West Authority was created by Act 1 of the First Extraordinary Session of 2006. The governing board of commissioners administers the operations and responsibilities in accordance with the provisions of Louisiana statutes. The West Authority is charged with overseeing the levee districts on the Westbank of the New Orleans Metropolitan area, which include the West Jefferson Levee District and the Algiers Levee District. The members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by a nominating committee as provided by statute.

For financial reporting purposes, it has been determined that the West Authority is a component unit of the State of Louisiana. Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State's general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As noted above, the West Authority is charged with the responsibility of overseeing the West Jefferson Levee District and the Algiers Levee District. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority's Board serves as their oversight board, they are, in substance, part of the West Authority and are included (i.e., blended) within the West Authority's financial report.

The West Jefferson Levee District was incorporated on August 1, 1980, under the provisions of Act 820 of the 1980 Legislative session, as amended (Civil Service code). It was charged with providing flood protection for those areas contained within the Parish of Jefferson to the west of the Mississippi River. Act 475 of the 2010 Legislative session amended the district by carving out a portion of the covered area and designating it the Lafitte Area Independent Levee District. All lands and other assets in the designated area were turned over by the West Jefferson Levee District to the new Lafitte Area Independent Levee District. West Jeff continues to cover those areas in Jefferson Parish to the west of the Mississippi River that are not within the boundaries of the Lafitte Area Independent Levee District.

The Algiers Levee District was formed by Act 475 of the 2007 Legislative session. This Act carved a section out of the existing Orleans Levee District, specifically that portion of the Parish of Orleans on the west side of the Mississippi River.

2. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the West Authority. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the West Authority's operations, the West Authority reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

Funds are used by the West Authority to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the West Authority are classified into the “governmental” category. The category, in turn, is divided into separate “fund types”.

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

Major individual governmental funds are reported as separate columns in the fund financial statements. The West Authority reports the following major governmental funds:

The ***SELFPA-W General Fund*** is the general operating fund of the West Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

The ***WJLD Operations and Maintenance Special Revenue Fund*** is the general operating account for the West Jefferson Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***ALD Operations and Maintenance Special Revenue Fund*** is the general operating account for the Algiers Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***WJLD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the West Jefferson Levee District related to emergencies. For GAAP purposes, this fund is now merged into the WJLD Operations and Maintenance Special Revenue Fund.

The ***ALD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the Algiers Levee District related to emergencies. For GAAP purposes, this fund is now merged into the ALD Operations and Maintenance Special Revenue Fund.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED)

The *WJLD Westbank Hurricane Protection Levee Capital Project Fund* is used to account for financial resources dedicated by the West Jefferson Levee District to be used for acquisition or construction of major capital facilities and structures related to the Westbank Hurricane Levee system.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The West Authority considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, only when payment is due.

4. Assets, Liabilities, and Net Assets or Equity

A. *Cash and Investments*

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the West Authority to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the West Authority to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

B. *Interfund Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). As a general rule, all interfund balances are eliminated in the government-wide financial statements.

C. *Inventories*

The cost of materials and supplies acquired by the West Authority are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2011 would not be material to the financial statements.

D. *Prepaid Insurance*

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as expenditures when paid. It is management's opinion that the prepaid amount June 30, 2011, if any, would not be material to the financial statements.

E. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., levees, floodwalls, sector gates and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the West Authority as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress. The levees are divided into "reaches" and are capitalized as such. Any major "lifts" or improvements to an existing levee/reach are capitalized as an addition to that levee/reach.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

<u>Asset Category</u>	<u>Estimated Life in Years</u>
Buildings	40
Furniture and fixtures	5
Autos and trucks	5
Mowers	5
Tractors	7-10
Heavy equipment	5
Radios	3
Infrastructure (levees, floodwalls, floodgates, etc.)	50

F. *Compensated Absences*

It is the West Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the West Authority does not have a policy to pay any amounts when employees separate from service to the West Authority. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with GASB Statement No. 16, an additional liability is recorded for salary related payments associated with the future payments of compensated absences.

G. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term debt obligations are recognized as liabilities in the applicable governmental activities statement of net assets.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designated fund balances represent tentative plans for future use of financial resources that are subject to change.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(1,609,104) difference are as follows:

Certificates of Indebtedness Payable	\$ (800,000)
Compensated Absences Payable	(238,233)
Unfunded Annual Required Contribution for OPEB	(570,871)
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u><u>\$ (1,609,104)</u></u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT (CONTINUED)

2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$232,074 difference are as follows:

Capital Outlay	\$ 634,109
Depreciation expense	(402,035)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u>\$ 232,074</u>

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donation) is to increase or decrease net assets". The details of this \$(43,634,639) difference are as follows:

Disposal of general fixed assets (equipment, vehicles, etc.)	\$ (407,115)
Removal of accumulated depreciation on general fixed assets disposed of	308,679
Disposal/transfer of infrastructure assets (levees and improvements)	(51,502,352)
Removal of accumulated depreciation on infrastructure assets disposed of	7,966,149
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u>\$ (43,634,639)</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budget

Formal budgetary accounting is employed as a management control device during the year for the SELFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, and the ALD Operations and Maintenance Special Revenue Fund. Budgetary data for the WJLD and ALD Emergency Special Revenue Funds are not presented since these funds are restricted for emergency purposes only and are considered unpredictable. Budgetary data for the Capital Project funds are not presented since these funds are budgeted over the life of the respective project, not on an annual basis.

Expenditures may not exceed appropriations at the object level within the fund. All annual appropriations which are not expended lapse at year end.

The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that the WJLD and ALD Operations and Maintenance Special Revenue Funds do not include activity related to the two emergency funds. Thus, there is a perspective difference between Budgetary-Basis Actual and GAAP-Basis Actual (See Note C.4).

Encumbrances are not recorded for budgetary purposes.

The Board of Commissioners of the West Authority submits the annual budgets to the Department of Transportation and Development - Office of Public Works (DOTD) and the Legislative Auditor for the succeeding fiscal year. The operating budgets include proposed expenditures and the means of financing them.

The DOTD reviews the budgets and makes recommendations pertaining thereto to the Board of Commissioners of the West Authority and the Legislative Auditor. Not less than ninety days before the end of the fiscal year, the Board of Commissioners adopts the annual budget after considering the recommendations of the DOTD. Amendments to the budget are made by the Board from time to time as is necessary.

The original budgets were adopted on March 22, 2010. The amended budgets were adopted on March 28, 2011. The budgeted amounts are included, respectively, as the original and final budgets in the accompanying statements.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

2. Budget Amendments

The West Authority made several supplemental budgetary appropriations during the year. The most significant of the changes made are described below.

Revenues

The revenues of the West Authority's General Fund were relatively stable. The original budget called for a total of \$500,803, while the amended budget had revenues of \$501,050. The major line-item for the state allocation of operating costs to the West Authority was unchanged at \$500,000. The largest change was in Interest Income – up \$550.

The WJLD O & M Special Revenue Fund's final budget called for revenues of \$5,387,159, an increase of \$315,658 from the original budget. The largest change was seen in the Property taxes – up \$194,930. Service Charges & Commissions increased by \$99,867 due to increases in oil & gas royalties, along with an increase in permits (rights of way). Finally, Miscellaneous Income was increased by \$25,314 mainly to account for an insurance claim.

The ALD O & M Special Revenue Fund's final budget called for revenues of \$2,498,532, an increase of \$710,828 over the original. The largest change came in property taxes, which was increased \$715,000. This increase was a result of an increase in the property tax assessment roll.

Expenditures

The expenditures of the West Authority and its two main component units also changed during the year. The following is a recap of the changes made.

Fund/Object Level	Original Budget	Amendments	Final Budget
SELFPA-W General Fund			
Executive	\$ 141,447	\$ (81,144)	\$ 60,303
Administrative	307,210	(19,789)	287,421
Maintenance	3,561	(56)	3,505
Non-departmental	20,616	(2,729)	17,887
Property, plant and equipment	-	22,558	22,558
	<u>\$ 472,834</u>	<u>\$ (81,160)</u>	<u>\$ 391,674</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Fund/Object Level	Original Budget	Amendments	Final Budget
WJLD O & M Special Revenue Fund			
Executive	\$ 212,961	\$ 15,532	\$ 228,493
Administrative	854,229	(283,357)	570,872
Maintenance	2,662,701	78,797	2,741,498
Non-departmental	410,204	(29,459)	380,745
Debt service	500,000	(50,253)	449,747
Property, plant and equipment	664,000	(279,794)	384,206
	<u>\$ 5,304,095</u>	<u>\$ (548,534)</u>	<u>\$ 4,755,561</u>
ALD O & M Special Revenue Fund			
Executive	\$ 89,262	\$ (6,325)	\$ 82,937
Administrative	33,480	12,280	45,760
Maintenance	61,447	111,129	172,576
Non-departmental	79,380	(10,213)	69,167
Property, plant and equipment	-	227,346	227,346
	<u>\$ 263,569</u>	<u>\$ 334,217</u>	<u>\$ 597,786</u>

The SELFPA-W's General Fund expenditures decreased \$(81,160) as follows: Executive went down \$(81,144) due to decreases in the commissioner's per-diems, payroll taxes, travel, legal fees, and computer consultants. Administrative costs were decreased \$(19,789) due to a decrease in salaries which was offset by increases in retirement costs and office supplies. Finally, property, plant and equipment increased \$22,558 to reflect the purchase of computer equipment and software.

The WJLD O & M Special Revenue Fund expenditures decreased \$(548,534) as follows: Executive increased \$15,532, primarily due to an increase in legal services, offset by a decrease in computer consulting costs. Administrative decreased \$(283,357), with the largest decreases coming in salaries, retirement and workmen's compensation. The large drop in salaries resulted from the district engineer position being vacated. Building repairs also were lowered by \$(35,000) as the emergency command center renovations came to a completion. Maintenance was up \$78,797 due mainly to 1) an increase in salaries and benefits and 2) decreases in property and equipment rentals. Debt service costs were reduced \$(50,253) in accordance with the debt service payment schedule. Property, plant, and equipment decreased by \$(279,794) to account for a drop in anticipated purchases of mowers, cutters, and heavy equipment (tractors).

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

**NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY
(CONTINUED)**

The ALD O & M Special Revenue fund expenditures increased \$334,217 as follows: Maintenance went up \$111,129, primarily because of an increase in utilities, repairs, maintenance and supplies. This increase resulted from the West Authority becoming more active in the Algiers Levee area (particularly along the Algiers Canal). Non-departmental was dropped \$(10,213) due to a decrease in insurance costs. Finally, capital outlay was increased \$227,346 to account for the purchase of vehicles, mowers and tractors.

Other Financing Sources (Uses)

Each fund also recognizes Other Financing Sources and Uses, primarily transfers in and out. These amounts changed as funding requirements changed.

3. Expenditures in Excess of Appropriations

For the year ended June 30, 2011, expenditures exceeded budget at various object levels within the following funds:

Fund/Object	Budget	Actual	Over Budget
Southeast Louisiana Flood Protection Authority - West			
Maintenance	\$ 3,505	\$ 5,728	\$ (2,223)
Non-departmental	17,887	17,888	(1)
WJLD Operations and Maintenance Special Revenue Fund			
Executive	\$ 228,493	\$ 238,418	\$ (9,925)
Non-departmental	380,745	385,804	(5,059)
ALD Operations and Maintenance Special Revenue Fund			
Executive	\$ 82,937	\$ 92,246	\$ (9,309)
Non-departmental	\$ 69,167	\$ 69,208	\$ (41)

All of the overages were incidental and resulted from slight increases over what was originally estimated. The over budget items were funded through available fund balance.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

4. Reconciliation of Budgetary Basis to GAAP Basis of Accounting in Fund Financials

The Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual present a comparison of the legally adopted budget with the actual data on the budgetary basis. Since accounting principles on the budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resulting differences in excess (deficiency) of revenues and other sources over expenditures and other uses for the year ended June 30, 2011 is presented below.

	SELFPA-W General Fund	WJLD O&M Special Revenue	ALD O&M Special Revenue	WJLD Emergency Special Revenue	WJLD Emergency Special Revenue
Excess (deficiency) of revenues and other sources over expenditures and other uses (budgetary basis)	\$ 118,076	\$ 236,387	\$ 101,407	\$ 1,236,378	\$ 1,157,325
Perspective Differences					
To merge the emergency special revenue funds into the O&M funds, as per GASB 54. Under the new accounting standards, these emergency funds can no longer be presented as special revenue funds for GAAP basis financial statements.	-	1,236,378	1,157,325	(1,236,378)	(1,157,325)
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	\$ 118,076	\$ 1,472,765	\$ 1,258,732	\$ -	\$ -

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions

At June 30, 2011, deposits with financial institutions consisted of the following:

	Cash	Certificates of Deposit	Total
Deposits in Bank Accounts per Balance Sheet	\$ 15,525,256	\$ -	\$ 15,525,256
Bank Balances of Deposits Exposed to Custodial Credit Risk:			
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution	-	-	-
C. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Authority's name	-	-	-
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 15,550,357	\$ -	\$ 15,550,357

In addition, the West Jefferson Levee District has three escrow accounts related to the Westbank Hurricane Protection Levee Project. In the first, the District has \$160,634 on deposit with the U.S. Army Corps of Engineers (COE). The second account has \$338,189, which was contributed by the Parish of Jefferson for construction of the Mount Kennedy Pump Station. The third has \$415,377, which was contributed by Louisiana Gaming for work around the riverboat casino. These amounts are not reported on the financial statements, as they are being held in jointly-owned escrow accounts pursuant to the cooperative endeavor agreements signed with the COE. As the district makes deposits into the escrow accounts, an expenditure is recognized. COE is allowed to draw on the escrow funds as needed in connection with the Westbank Hurricane Protection Levee project (See Note F).

The Algiers Levee District also has money in escrow accounts that is not reflected on the financial statements. As per state statute, the property tax collections in Orleans Parish are given to the Orleans Levee District first. Algiers receives a pro-rata share of the taxes collected, however, before the money is distributed, the Orleans Levee District deducts a pro-rata share of the outstanding bonded debt of the district. The remaining funds are then forwarded to the Algiers Levee District Operations and Maintenance Fund.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

The money that was withheld for the 2011 debt service was placed in two escrow accounts pending payment to the bond holders. At June 30, 2011, no bond payments had yet been made. These two escrow accounts had balances of \$797,223 and \$1,412,593, respectively.

2. Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. The West Authority's investments consist of shares in the Louisiana Asset Management Pool (LAMP). The balance held by the Algiers Levee District O&M Fund as of June 30, 2011 is \$273,810. Because this investment is not evidenced by securities that exist in physical or book entry form, it is not categorized for the purposes of this note.

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is West Authority's policy to limit its investments in these investment types to the top ratings group. State statutes also allow the West Authority to invest in the Louisiana Asset Management Pool (LAMP).

The following table lists the Town's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

<u>Rating</u>	<u>Fair Value</u>
AAAm	<u>\$ 273,810</u>

Interest Rate Risk

In accordance with the West Authority's investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than 1 year. By investing in LAMP, the West Authority is even less exposed to long-term interest rate risk.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

Concentrations of Credit Risk

The West Authority does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At June 30, 2011, 100 percent of the West Authority's investments of \$273,810 were invested with the Louisiana Asset Management Pool (LAMP).

3. Receivables

Receivables at year end for the West Authority's individual major funds, in the aggregate, total \$115,324, as follows:

Description	SELFPA-W General Fd	WJLD O & M Fd	ALD O & M Fd	WJLD Westbank Hurricane Protection Levee	Total
Ad Valorem taxes	\$ -	\$ 103,684	\$ -	\$ -	\$ 103,684
State Revenue Sharing	-	-	-	-	-
State Capital Outlay Program	-	-	-	11,640	11,640
Other	-	-	-	-	-
	<u>\$ -</u>	<u>\$ 103,684</u>	<u>\$ -</u>	<u>\$ 11,640</u>	<u>\$ 115,324</u>

The \$103,684 receivable in the WJLD O&M Special Revenue Fund relates to property taxes received in the month of July 2011 that relate to the current fiscal year's tax sale held by the Jefferson Parish Tax Collector Fund.

The \$11,640 receivable is made up of invoices claimed under the State Capital Outlay Program and relates to the Harvey Canal Interim Protection project (See Note F).

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

4. Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2010	Additions	Deletions	Internal Transfers	Balance June 30, 2011
Governmental Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 5,787,724	\$ -	\$ -	\$ -	\$ 5,787,724
Construction in progress	-	-	-	-	-
Total Capital Assets, not depreciated	\$ 5,787,724	\$ -	\$ -	\$ -	\$ 5,787,724
Capital Assets, Being Depreciated					
Buildings	\$ 3,895,475	\$ -	\$ -	\$ -	\$ 3,895,475
Furniture and Equipment	309,075	100,887	-	-	409,962
Machinery, Vehicles and Heavy Equip	1,895,733	533,222	(407,115)	-	2,021,840
Infrastructure	51,502,352	-	(51,502,352)	-	-
Total Capital Assets Being Depreciated	57,602,635	634,109	(51,909,467)	-	6,327,277
Less Accumulated Depreciation:					
Buildings	1,840,649	155,139	-	-	1,995,788
Furniture and Equipment	110,683	56,474	-	-	167,157
Machinery, Vehicles and Heavy Equip	1,153,308	190,422	(308,679)	-	1,035,051
Infrastructure	7,966,149	-	(7,966,149)	-	-
Total Accumulated Depreciation	11,070,789	402,035	(8,274,828)	-	3,197,996
Capital Assets Being Depreciated, Net	\$ 46,531,846	\$ 232,074	\$ (43,634,639)	\$ -	\$ 3,129,281
Total Governmental Activities Capital Assets, Net	\$ 52,319,570	\$ 232,074	\$ (43,634,639)	\$ -	\$ 8,917,005

During 2011, it was determined that the Westbank Hurricane Protection Levee, which had been started by the West Jefferson Levee District (WJLD) years ago and capitalized as infrastructure, was no longer in existence or in use by the West Authority.

As discussed in Note F, in the aftermath of Hurricane Katrina, the Corps of Engineers (COE) took over constructing and improving the Westbank Hurricane levee system. The West Jefferson Levee District was replaced as the local sponsor by the State's Coastal Protection and Restoration Authority (CPRA). By 2011, the COE and the CPRA have essentially replaced or improved upon nearly every reach of the levee system that was previously capitalized by the WJLD. As such, all infrastructure improvements related to this levee system and the related accumulated depreciation has been deleted from the books of the WJLD (see Extraordinary Item of \$(43,536,203) noted on the Statement of Activities). The only asset remaining is the land purchased by WJLD as the footprint of the levee system, as this land remains titled in the name of the WJLD.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

Depreciation expense was charged to the functions/segments of the West Authority as follows:

Component Unit/ Governmental Activity	Total
Public Works	
Executive	\$ 49,919
Administrative	118,209
Maintenance	233,907
Unallocated depreciation	-
 Total Depreciation Expense	 <u><u>\$ 402,035</u></u>

5. Long-Term Debt

Certificates of Indebtedness

On April 30, 2008, the West Authority issued Certificates of Indebtedness in the name of the West Jefferson Levee District in the amount of \$2,000,000 to finance the construction of the emergency command center. The certificates are secured by the pledge and dedication of excess annual revenues of the district over and above statutory, necessary and usual charges for the fiscal years ending June 30, 2010 to June 30, 2013. The certificates carry an interest rate of 4.10 percent, with payments of principal in the amount of \$400,000 due each year beginning on May 1, 2010. Interest is payable on May 1st and November 1st of each year. The final maturity date is May 1, 2013. The amount outstanding at year end was \$800,000.

Compensated Absences

West Authority employees, primarily those of the West Jefferson Levee District, earn annual and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Upon termination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, the number of hours of unused sick leave is computed and considered in computing the years of service for retirement benefit purposes. Compensatory time is accrued up to a balance of 240 hours at a rate of time and one-half. An employee who exceeds 240 hours receives either monetary consideration or compensatory time for the amount of hours earned in excess of the 240 hour limit. Upon termination, an employee is paid for unused compensatory time. The amount outstanding at year end was \$238,233.

Changes in Long-Term Debt

The following is a summary of changes in general long-term obligations of the West Authority for the fiscal year ended June 30, 2011:

Type of Debt	Balance 7/1/2010	Additions (Reductions)	Balance 6/30/2011	Due Within One Year	Due in More Than One Year
Certificates of Indebtedness	\$ 1,200,000	\$ (400,000)	\$ 800,000	\$ 400,000	\$ 400,000
Compensated Absences	231,065	7,168	238,233	238,233	-
Other Post Employment Benefits (Note H)	376,314	194,557	570,871	-	570,871
	<u>\$ 1,807,379</u>	<u>\$ (198,275)</u>	<u>\$ 1,609,104</u>	<u>\$ 638,233</u>	<u>\$ 970,871</u>

The West Authority considers the compensated absences as due in less than one year. Thus, the government-wide financial statement of net assets shows \$638,233 as payable within one year.

Annual Debt Service to Maturity

Annual debt service to maturity on outstanding long-term debt, including interest of \$98,400, is as follows:

Fiscal Year Ending June 30,	Certificates of Indebtedness		
	Principal	Interest	Total
2012	400,000	32,800	432,800
2013	400,000	16,400	416,400
	<u>\$ 800,000</u>	<u>\$ 49,200</u>	<u>\$ 849,200</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

6. Fund Balance Components

The specific purpose details of fund balance categories are as follows:

<u>Fund Balance/Category</u>	<u>SELFPA-W General Fund</u>	<u>WJLD O&M Special Revenue</u>	<u>ALD O&M Special Revenue</u>	<u>WJLD Westbank Hurricane Capital Project</u>	<u>Total</u>
Committed to:					
Emergency operations	\$ -	\$ 5,389,463	\$ 3,038,565	\$ -	\$ 8,428,028
Assigned to:					
Levee Operations & Maintenance	-	4,951,444	1,478,928	-	6,430,372
Westbank Hurricane Levee	-	-	-	551,452	551,452
Unassigned	423,703	-	-	-	423,703
Total Fund Balance	<u>\$ 423,703</u>	<u>\$ 10,340,907</u>	<u>\$ 4,517,493</u>	<u>\$ 551,452</u>	<u>\$ 15,833,555</u>

Under Policy and Procedures Memorandum 2010-101, the West Authority has created emergency reserve funds within the WJLD O&M and ALD O&M Special Revenue Funds. These committed reserves can only be spent when an emergency is declared by the Board.

The fund balances assigned to Levee Operations & Maintenance reflect the designations placed on these funds by the ad valorem tax levies that fund these activities. The amount assigned to the Westbank Hurricane Levee project reflects the balance in the capital project fund that is being used to provide ancillary services to the Corps of Engineers and the Coastal Protection and Restoration Authority in the construction of the Westbank Hurricane Protection Levee (see Note F).

7. Interfund Transactions

Interfund Transfers

A summary of interfund transfers by fund on a GAAP basis for the fiscal year ended June 30, 2011 is as follows:

<u>Fund</u>	<u>Transfers To/From</u>	<u>Transfer In</u>	<u>Transfer Out</u>
WJLD O & M Special Revenue	ALD O & M Special Revenue	\$ 608,867	\$ -
		<u>608,867</u>	<u>-</u>
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	608,867
		<u>-</u>	<u>608,867</u>
Total All Funds		<u>\$ 608,867</u>	<u>\$ 608,867</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The Algiers Levee O & M Fund reimbursed the West Jefferson Levee O & M Fund \$608,867 for operating and administrative costs directly attributable to their activities.

On a budgetary basis, the West Jefferson Levee O & M Fund shows a transfer of \$1,350,000 to the WJLD Emergency Fund and the Algiers Levee O & M Fund shows a transfer of \$1,150,000 to the ALD Emergency Fund. Since these emergency funds are merged into the respective O&M funds for GAAP purposes, these transfers are eliminated from the fund financial statements.

Interfund Receivables and Payables

A summary of interfund balances on a GAAP basis at June 30, 2011 is as follows:

<u>Fund</u>	<u>Due To/From</u>	<u>Due From</u>	<u>Due To</u>
SELFPA-W General Fund	WJLD O & M Special Revenue	\$ -	\$ 2,796,607
WJLD O & M Special Revenue	SELFPA-W General Fund	296,607	-
	ALD O & M Special Revenue	516,294	-
	WJLD Emergency Special Revenue	-	-
	WJLD Westbank Hurricane Protection Capital Project	-	578,351
		812,901	578,351
WJLD Emergency Special Revenue	SELFPA-W General Fund	1,350,000	-
		2,162,901	578,351
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	516,294
	ALD Emergency Special Revenue	-	-
		-	516,294
ALD Emergency Special Revenue	SELFPA-W General Fund	1,150,000	-
		1,150,000	516,294
WJLD Westbank Hurricane Protection Capital Project	WJLD O & M Special Revenue	578,351	-
		578,351	-
Total All Funds		\$ 3,891,252	\$ 3,891,252

Interfund balances/transfers are eliminated and not presented in the Statement of Activities.

8. Ad Valorem Taxes

West Jefferson Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the West Jefferson Levee District may levy annually, a tax not to exceed 5.00 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.00 mills must be approved by a majority vote of the electorate.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The district levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office and Ex-Officio Tax Collector (a separate entity), which receives a certain millage for its services. The taxes remitted by the Sheriff to the district are net of assessor's commission and pension fund contributions.

The number of mills levied for operations and maintenance on the 2010 and the 2009 tax rolls were 5.03 for each year. This millage rate generated revenues of \$4,897,913 in the current year. This amount is recorded as revenue by WJLD O & M Fund, net of \$227,000 given to Lafitte Area Independent Levee District. See Note E.2 for a discussion of the distribution of taxes between WJLD and the Lafitte Area Independent Levee District.

Algiers Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the Orleans Levee District may levy annually, a tax not to exceed 5.46 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.46 mills must be approved by a majority vote of the electorate. The area covered by this tax includes the area included in the newly formed Algiers Levee District.

In 1983, the voters of the Parish of Orleans elected to continue a 6.55 mill tax on assessed property for a period of 30 years (1985 to 2015) to finance hurricane and flood protection projects and to fund the retirement of levee improvement bonds. An additional millage of 0.75 mills is levied pursuant to a special election held in 1974 to provide a "general maintenance" tax to finance the general maintenance expenditures of the Orleans Levee District. Again, the areas covered by these taxes include the area now governed by the newly created Algiers Levee District.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The actual millage rates levied for 2011 were 5.46 constitutional, 6.55 levee improvements, and 0.75 for general maintenance. These were the same amounts levied last year.

The Orleans Levee District levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities based on the assessed values of the prior August 15. As provided by LRS 47:1997(b), ad valorem taxes are assessed for the calendar year, become due on January 1 of each year, and delinquent on February 1 of each year. The taxes are generally collected between January and April of each year.

Ad valorem taxes are levied based on property values in the City of New Orleans determined by an Elected Board of Assessors (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the City's Revenue Department (a separate entity). The taxes are remitted by the City to the district.

As noted previously, the Algiers Levee District was formed by Act 475 of the 2010 Legislative session by carving an area out of the Orleans Levee District and placing it under the control of the West Authority. Due to the amount of outstanding debt on the books of the Orleans Levee District at the time of this reorganization, the Act provides for the distribution of the ad valorem taxes collected by the Orleans Levee District on a pro-rata share (7.62%) after a deduction for Algiers' share of the debt service payments. For the current fiscal year, the following revenues were recognized by the Algiers Levee District:

Description	Amount Recognized
Ad Valorem Taxes - Current	\$ 2,320,555
Ad Valorem Taxes - Back Tax	127,310
Algiers' pro-rata share of debt service	<u>(54,595)</u>
Net Tax Amount	2,393,270
State Revenue Sharing	51,400
Net Amount Recognized by ALD	<u><u>\$ 2,444,670</u></u>

The figures shown above that were withheld for the Algiers' pro-rata share of debt service has been deposited into the Escrow Accounts held by the Orleans Levee District discussed in Note D.1.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

9. Intergovernmental Revenues

Pursuant to Act 1 of the First Extraordinary Session of 2006, the State provides operating funds of up to \$500,000 to the West Authority. During 2011, the amount recognized by the West Authority totaled \$500,000.

NOTE E - COMMITMENTS AND CONTINGENCIES

1. Risk Management

The West Authority and its component units are exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the West Authority purchases various types of insurance from commercial carriers.

Under these policies, general liability coverage is provided for up to a maximum of \$1,000,000 per occurrence (\$2,000,000 in the aggregate); automobile coverage is \$1,000,000 for combined single limits for all automobiles; and worker's compensation is provided at the statutory limits of \$1,000,000/\$1,000,000/\$1,000,000. In each policy, the West Authority or its component unit is responsible for the applicable deductible.

2. Contingent Liabilities

Federal and State Financial Assistance

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the West Authority expects such amounts, if any, to be immaterial.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE E - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

The West Authority and its component units are defendants in a number of claims and lawsuits. The West Authority's attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the West Authority and to arrive at an estimate, if any, of the amount or range of potential loss to the West Authority.

As a result of such a review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" categories, as defined in GASB Codification Section C50 for Claims and Judgments. In the opinion of management, the West Authority has adequate legal defenses or insurance coverage with respect to each of these claims and lawsuits and does not believe that they will materially affect the West Authority's financial statements.

One claim for \$525,000 was deemed "reasonably possible" by the West Authority's legal counsel. This claim relates to the taking of property along the Harvey Canal by the State of Louisiana for the Westbank and Vicinity Hurricane Protection Project by Executive Orders No. KBB 2007-5 and KBB 2007-19. Negotiations are ongoing and no settlements have been reached as of the date of this report. The U.S. Army Corps of Engineers would be contractually obligated to pay any amount of an approved negotiated settlement or any amount in which the West Jefferson Levee District may be cast in judgment.

Lafitte Area Independent Levee District

Act 475 of the 2007 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. As per the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district; however, due to the timing of the reorganization and delays in setting up the new district, WJLD continues to receive the ad valorem taxes for the entire area for the current tax roll year.

The Assessor's Office has yet to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 in 2008, \$200,000 in 2009, \$200,000 in 2010, and \$227,000 in 2011 to Lafitte as a down-payment on taxes owed.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE E - COMMITMENTS AND CONTINGENCIES (CONTINUED)

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte an additional \$77,205. This would mean that an additional \$27,205 is due for each of the tax rolls from 2008 to 2010. WJLD is disputing these figures as the Assessor's numbers appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations. Due to the uncertainty of the amounts, nothing has been accrued in the financial statements.

NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE

1. Description of Projects

The Initial Westbank and Vicinity Hurricane Protection Project

Pursuant to a project cooperative agreement (PCA) dated December 18, 1980, the West Jefferson Levee District (WJLD) and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the District's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the District was to provide 35 percent of the cost as a local match. The WJLD's share was to be made up of expropriations, easements, land acquisitions, relocation assistance and in-kind construction work. Upon completion of the levee, the District would be responsible for maintenance and repairs of the levee system (i.e., fertilizing and cutting the grass, monitoring crossings, minor repairs, etc.).

In August 2005, Hurricane Katrina struck the area. In the aftermath of the storm, the Westbank and Vicinity Hurricane Levee project was modified and placed under the control of the COE.

Post-Katrina Projects

In the wake of Hurricane Katrina, several changes were made/proposed to the project. In December 2006, the United States Congress passed the 3rd Supplemental Emergency Bill which provides approximately \$200.0 million to the District to repair deficient flood-walls and to accelerate completion of those parts of the project not yet finished. 100 percent of the funding is to be provided by the Federal Government through the COE.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

**NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

In June 2009, Congress passed the 4th Supplemental Emergency Bill which provided an additional \$495.0 million to raise the authorized elevation of levees in the area to meet the requirements of a 100 year event. Flood-wall construction is to be funded at 100 percent by the Federal Government, but levee construction is now funded at 65 percent Federal and 35 percent State/Local. This appropriation is to be spent on the Westbank Hurricane Protection Levee and the Lake Ponchartrain Levee (managed by the East Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The 4th Supplemental Emergency Bill also provides \$1.584 billion to replace all flood-walls within the New Orleans Metropolitan area, including the Parishes of Orleans, St. Bernard, and Jefferson (which includes the area managed by the West Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The State amended the Project Cooperative Agreement (PCA) between the State DOTD, the COE, and the levee districts to provide for these changes. Amendment No. 2 to the agreement defines the funding and responsibilities for the 3rd Supplemental Emergency Bill. Amendment No. 3 to the agreement is not yet completed, but is going to address the funding and responsibilities for the 4th Supplemental Emergency Bill.

To provide for the continued construction of hurricane flood protection for coastal Louisiana, the State legislature amended existing legislation that created the Coastal Protection and Restoration Authority (CPRA) to add hurricane flood protection to its responsibility by creating the Coastal Protection and Restoration Authority (CPRA). This organization was charged with the duty of providing “one voice” from which to speak on all issues involving coastal restoration and hurricane protection for the State of Louisiana.

It is in this regard that the CPRA executed a Project Partnership Agreement with the U.S. Army Corps of Engineers (COE) on November 6, 2008, to cover the relationship between non-federal interests and the Corps for continued construction of the West Bank and Vicinity Hurricane Protection Project.

In this agreement, the State agreed to provide for the 35% required nonfederal match needed for the project. The Southeast Louisiana Flood Protection Authority – West (West Authority) through its West Jefferson Levee District has accepted the responsibility of managing the duties of land acquisition and relocation of impacted utilities/facilities. The cost of this activity is being borne by the Coastal Protection and Restoration Authority (CPRA) through the payment of reimbursable items as submitted by the West Jefferson Levee District.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

**NOTE F - JOINT VENTURE - WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

An agreement between the CPRA and the West Authority, on behalf of its component unit the West Jefferson Levee District (WJLD) and the Algiers Levee District (ALD), is currently in negotiation. The agreement will detail the responsibilities and duties of the WJLD and ALD as to their participation in construction, inspection, funding and operation and maintenance of the completed hurricane project.

2. Funding of the Projects

Post Katrina, the construction costs of this project are being borne by the COE and the CPRA.

During 2011, the WJLD expended \$536,568 on surveys, abstracts, appraisals and other legal costs associated with land acquisitions for this project in the WJLD Westbank Hurricane Protection Levee Capital Projects Fund. Of this amount, \$428,534 was reimbursed through the State Capital Outlay program (State Project No. 750-99-0102).

3. Status of the Projects

The COE (federal agent) and the CPRA (state agent) are now responsible for all construction, repairs, and expropriations related to this levee system. As of June 30, 2011, nearly all of the major reaches of the Westwego to Harvey Canal phase have been completed. These post-Katrina projects essentially replaced or greatly improved upon the original Westbank Hurricane levee system constructed by the COE and the WJLD. As such, the original infrastructure assets capitalized by WJLD have been removed from the books of the West Authority for 2011 (See Note D.4).

Once the project is completely finished, the West Authority will be required to monitor and maintain the levees (i.e., cut grass, provide inspections, control rights of way, etc.).

NOTE G - LAFITTE AND VICINITY LEVEES

As discussed in Note E.2, Act 475 of the 2010 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Thus, these projects are now the responsibility of the Lafitte Area Independent Levee District and are no longer reported for by the West Authority or the West Jefferson Levee District.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION

1. Pension Plan

Plan Description and Provisions

The West Authority contributes to the Louisiana State Employees' Retirement System (the "System"), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of State Agencies and their staffs, which is administered and controlled by a separate board of trustees. The System was established and provided for within Title 11 of Chapter 401 of the Louisiana Revised Statutes.

Contributions of participating agencies, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana State Employees' Retirement System, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809.

Funding Policy

In addition to ad valorem and insurance premium taxes that are remitted to the System (which constitute the major funding of the System), plan members are required by State statute to contribute 7.65 percent of gross salary and the West Authority is required to contribute at an actuarially determined rate. The current rate is 21.99 percent of annual covered payroll. The contribution requirements of plan members and the West Authority are established and may be amended by the System's Board of Trustees.

The contributions for the year ended June 30, 2011 were as follows:

	Covered Payroll	Amount	Percent of Covered Payroll
Employee	\$ 1,670,624	\$ 136,437	8.17%
Employer	1,670,624	367,427	21.99%

The West Authority's contributions for the previous two fiscal years were \$312,134 and \$254,883, which equaled the required contributions for each year.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

2. Deferred Compensation

The West Authority offers the employees of the West Jefferson Levee District a deferred compensation plan (the "plan") created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees of the district, permits them to defer a portion of their salary until future years. The West Authority matches any contributions into the plan on a one-for-one basis up to \$35. During the year, the West Authority expended \$46,816 as a match on deferred compensation.

The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the Plan's trustee (Great Western). The choice of the investment option(s) are made by the Plan participants. In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IRC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. Thus, the District does not have ownership of the plan assets and does not report them in the West Authority's financial statements.

3. Post-employment Health Care Benefits

Plan Description

The West Authority participates in a fully insured health insurance and life insurance program administered by the Louisiana Office of Group Benefits (OGB).

Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The plan provisions are contained in the official plan documents of the OGB, available at www.groupbenefits.org - "Quick Links" - "Health Plans". The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation. The OGB "Medicare Advantage" plan (see rate exhibit in Appendix II) has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the cost of the retiree life insurance. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates

Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents of the OGB.

Funding Policy

Until 2007, the West Authority recognized the cost of providing post-employment medical and life benefits (the West Authority's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2008, the West Authority implemented Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In 2011, the West Authority's portion of health care funding cost for retired employees totaled \$135,048 and the life insurance totaled \$1,406. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution

The West Authority's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2010 is \$325,105 for medical, and \$12,616 for life, as set forth below:

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 97,093	\$ 3,826
30-year UAL Amortization Amount	228,012	8,790
	<u>\$ 325,105</u>	<u>\$ 12,616</u>

Net Post-employment Benefit Obligation (Asset)

The table below shows the West Authority's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2011:

	<u>Medical</u>	<u>Life</u>
Beginning Net OPEB Obligation (Asset) 7/1/2009:	<u>\$ 350,414</u>	<u>\$ 25,900</u>
Annual Required Contribution	325,105	12,616
Add: Interest on Net OPEB Obligation (Asset)	14,016	1,036
Less: ARC Adjustment	<u>(20,264)</u>	<u>(1,498)</u>
OPEB Cost	318,857	12,154
Less: Contributions	-	-
Less: Current Year Retiree Premiums	(135,048)	(1,406)
Change in Net OPEB Obligation	<u>183,809</u>	<u>10,748</u>
Ending Net OPEB Obligation (Asset) at 6/30/2010:	<u>\$ 534,223</u>	<u>\$ 36,648</u>

The following table shows the West Authority's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
Medical	6/30/2011	\$ 318,857	42.35%	\$ 534,223
Life	6/30/2011	\$ 12,154	11.57%	\$ 36,648

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

Funded Status and Funding Progress

In the fiscal year ending June 30, 2011, the West Authority made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of July 1, 2010, the most recent valuation, the Actuarial Accrued Liability (AAL) was \$3,942,776 (medical) and \$152,024 (life), which is defined as that portion, as determined by a particular actuarial cost method (the West Authority uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Since the plan was not funded in fiscal year 2010/2011, the entire actuarial accrued liability of \$3,942,776 (medical) and \$152,024 (life) was unfunded.

	Medical	Life
Actuarial Accrued Liability (AAL)	\$ 3,942,776	\$ 152,024
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 3,942,776</u>	<u>\$ 152,024</u>
Funded Ratio (Actuarial Value of Assets/AAL)	0.0%	0.0%
Covered Payroll (active plan members)	<u>\$ 1,902,966</u>	<u>\$ 1,902,966</u>
UAAL as a percentage of covered payroll	207.19%	7.99%

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (as understood by the West Authority and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the West Authority and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the West Authority and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

Since the OPEB obligation has not yet been funded, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate

An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18 - 25	20.0%
26 - 40	14.0%
41 - 54	9.0%
55+	6.0%

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

Post employment Benefit Plan Eligibility Requirements

It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter the DROP. This consists of a three year DROP period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate)

GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Since the ARC is not currently being funded and not expected to be funded in the near future, we have performed this valuation using a 4% annual investment return assumption.

Health Care Cost Trend Rate

The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Mortality Rate

The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011**

NOTE H - OTHER INFORMATION (CONTINUED)

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the West Authority for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The OGB medical rates provided are "unblended" rates for active and retired as required by GASB 45 for valuation purposes. For current and future retirees after age 65, it has been assumed that 50% elect the OGB Medicare Advantage program and 50% elect the standard OGB post-65 program.

4. Economic Dependence

As discussed in Note D.8 above, the West Authority's primary source of revenue is a state appropriation of \$500,000 for operations. These revenues accounted for 98.4 percent of the revenues of the West Authority's General Fund during 2011. The appropriation is part of the State's budget and is to be renewed each year as part of the State's budget process.

5. Prior Period Adjustments

For 2011, the West Authority implemented the requirements of Government Accounting Standards Board (GASB) Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. In accordance with this statement, beginning fund balances on the GAAP Basis have been retroactively restated as follows.

Reason for Adjustment	WJLD O&M Special Revenue	ALD O&M Special Revenue	WJLD Emergency Special Revenue	ALD Emergency Special Revenue	Total
Beginning Fund Balance (GAAP Basis)	\$ 4,715,057	\$ 1,377,521	\$ 4,153,085	\$ 1,881,240	\$ 12,126,903
To merge the activity of the funds that no longer meet the definition of special revenue funds	4,153,085	1,881,240	(4,153,085)	(1,881,240)	-
Beginning Fund Balance (GAAP Basis), as restated	<u>\$ 8,868,142</u>	<u>\$ 3,258,761</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,126,903</u>

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
EXPENDITURES						
CURRENT						
PUBLIC WORKS						
EXECUTIVE						
Commissioners						
Per diem	\$ 27,072	\$ -	\$ 27,072	\$ 27,400	\$ 328	\$ 43,038
Travel	8,041	-	8,041	8,700	659	15,671
Convention/Workshops	-	-	-	-	-	-
Payroll taxes	3	-	3	2	(1)	138
Official journal	568	-	568	600	32	8,000
Dues and subscriptions	400	-	400	430	30	1,000
Professional services						
Legal	9,165	-	9,165	9,000	(165)	35,000
Accounting and auditing	771	-	771	-	-	1,000
Computer	8,693	-	8,693	9,000	307	33,400
Other	4,318	-	4,318	4,400	82	4,200
Office rent	-	-	-	-	-	-
Total Executive	<u>59,031</u>	<u>-</u>	<u>59,031</u>	<u>60,303</u>	<u>1,272</u>	<u>141,447</u>
ADMINISTRATIVE						
Salaries	192,951	-	192,951	191,000	(1,951)	245,000
Health and life insurance	20,077	-	20,077	20,100	23	12,000
Retirement	37,786	-	37,786	38,000	214	20,000
Deferred compensation match	3,536	-	3,536	5,000	1,464	3,000
Payroll taxes	2,694	-	2,694	3,000	306	3,000
Worker's compensation	-	-	-	-	-	-
Employee physicals and testing	1,474	-	1,474	1,474	-	1,400
Travel	2,892	-	2,892	2,892	-	4,329
Printing	-	-	-	-	-	-
Postage	238	-	238	240	2	170
Office supplies	13,215	-	13,215	14,200	985	2,500
Bank charges	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Repairs and maintenance						
Buildings	633	-	633	700	67	-
Equipment	1,368	-	1,368	1,800	432	500
Telephone	1,820	-	1,820	2,420	600	9,261
Internet	5,239	-	5,239	5,500	261	5,000
Property and equipment rental	1,004	-	1,004	1,095	91	1,050
Total Administrative	<u>284,927</u>	<u>-</u>	<u>284,927</u>	<u>287,421</u>	<u>2,494</u>	<u>307,210</u>
MAINTENANCE						
Equipment rental	92	-	92	-	(92)	-
Repairs and maintenance						
Buildings	2,406	-	2,406	-	(2,406)	-
Equipment	-	-	-	-	-	-
Utilities	3,230	-	3,230	3,505	275	3,561
General supplies	-	-	-	-	-	-
Total Maintenance	<u>5,728</u>	<u>-</u>	<u>5,728</u>	<u>3,505</u>	<u>(2,223)</u>	<u>3,561</u>
NON-DEPARTMENTAL						
Insurance premiums	17,888	-	17,888	17,887	(1)	20,616
Total Non-Departmental	<u>17,888</u>	<u>-</u>	<u>17,888</u>	<u>17,887</u>	<u>(1)</u>	<u>20,616</u>
DEBT SERVICE						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
CAPITAL OUTLAY						
Property, plant and equipment	22,557	-	22,557	22,558	1	-
Levee construction projects	-	-	-	-	-	-
Total Capital Outlay	<u>22,557</u>	<u>-</u>	<u>22,557</u>	<u>22,558</u>	<u>1</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 390,111</u>	<u>\$ -</u>	<u>\$ 390,131</u>	<u>\$ 391,674</u>	<u>\$ 1,543</u>	<u>\$ 472,834</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property Taxes	\$ 4,897,913	\$ -	\$ 4,897,913	\$ 4,720,647	\$ 177,266	\$ 4,525,717
Intergovernmental						
FEMA Reimbursements	-	-	-	-	-	-
State Revenue Sharing	454,966	-	454,966	470,274	(15,308)	470,274
SELFPA-W Admin Fee	-	-	-	-	-	-
	<u>454,966</u>	<u>-</u>	<u>454,966</u>	<u>470,274</u>	<u>(15,308)</u>	<u>470,274</u>
Service charges, fees and commissions						
Oil & gas royalties	42,935	-	42,935	42,935	-	50,000
Permit fees	107,442	-	107,442	107,442	-	510
	<u>150,377</u>	<u>-</u>	<u>150,377</u>	<u>150,377</u>	<u>-</u>	<u>50,510</u>
Interest						
Interest - cash accounts	-	-	-	-	-	-
Interest - investments	36,013	13,822	22,191	20,547	1,644	25,000
	<u>36,013</u>	<u>13,822</u>	<u>22,191</u>	<u>20,547</u>	<u>1,644</u>	<u>25,000</u>
Miscellaneous	<u>25,314</u>	<u>-</u>	<u>25,314</u>	<u>25,314</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>\$ 5,564,583</u>	<u>\$ 13,822</u>	<u>\$ 5,550,761</u>	<u>\$ 5,387,159</u>	<u>\$ 163,602</u>	<u>\$ 5,071,501</u>

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE - SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2011

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
EXPENDITURES						
CURRENT						
PUBLIC WORKS						
EXECUTIVE						
Commissioners						
Per diem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Life insurance	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Convention/workshops	-	-	-	-	-	-
Salaries - president	-	-	-	-	-	-
Official journal	5,838	-	5,838	6,000	162	6,500
Dues and subscriptions	4,149	-	4,149	4,500	351	3,000
Miscellaneous	-	-	-	-	-	-
Professional services						
Legal	88,641	-	88,641	80,000	(8,641)	40,000
Accounting and auditing	7,993	-	7,993	7,993	-	8,580
Computer	101,167	12,936	88,231	89,000	769	115,281
Other	58,843	15,277	43,566	41,000	(2,566)	39,600
Total Executive	266,631	28,213	238,418	228,493	(9,925)	212,961
ADMINISTRATIVE						
Salaries	236,644	-	236,644	238,680	2,036	440,319
Health and life insurance	109,093	-	109,093	115,675	6,582	111,301
Retirement	48,086	-	48,086	48,000	(86)	80,000
Deferred compensation match	3,468	-	3,468	3,490	22	7,000
Payroll taxes	3,074	-	3,074	3,000	(74)	7,000
Worker's compensation	4,057	-	4,057	4,057	-	20,000
Unemployment insurance	-	-	-	-	-	-
Uniforms	-	-	-	-	-	-
Civil service fees	5,570	-	5,570	5,570	-	5,000
Employee physicals and testing	-	-	-	-	-	-
Travel	4,593	-	4,593	4,600	207	3,037
Convention/workshops	4,188	-	4,188	4,300	112	13,200
Printing	-	-	-	-	-	-
Postage	2,366	-	2,366	2,400	34	3,200
Office supplies	24,733	1,699	23,034	24,300	1,266	23,100
Janitorial supplies	-	-	-	-	-	-
Bank charges	27	-	27	-	(27)	-
Repairs and maintenance						
Buildings	19,763	-	19,763	20,000	237	55,000
Equipment	15,277	-	15,277	15,300	23	15,000
Telephone	17,518	-	17,518	18,000	482	26,172
Internet	52,851	-	52,851	53,000	149	35,000
Property and equipment rental	10,199	-	10,199	10,300	101	9,900
Gas and oil	-	-	-	-	-	-
Total Administrative	561,507	1,699	559,808	570,872	11,064	854,229
MAINTENANCE						
Salaries	1,474,367	73,114	1,401,253	1,414,400	13,147	1,400,000
Health and life insurance	339,794	-	339,794	332,400	(7,394)	303,261
Retirement	281,976	-	281,976	283,000	1,024	205,000
Deferred compensation match	38,815	-	38,815	39,500	685	35,000
Payroll taxes	19,313	-	19,313	15,500	(3,813)	13,000
Worker's compensation	39,675	-	39,675	39,675	-	50,000
Unemployment insurance	-	-	-	-	-	-
Uniforms	21,110	-	21,110	22,000	890	12,000
Civil service fees	-	-	-	-	-	-
Employee physicals and testing	5,846	-	5,846	5,900	54	8,000
Other consultants	2,881	2,881	-	-	-	-
Travel	-	-	-	-	-	928
Repairs and maintenance						
Buildings	49,071	2,857	46,214	47,000	786	20,000
Equipment	-	-	-	-	-	-
Insurance - vehicles	51,159	-	51,159	51,159	-	50,000
Utilities	33,606	-	33,606	34,054	448	35,364
Telephone	-	-	-	-	-	-
Property and equipment rental	38,691	7,432	31,259	32,000	741	52,800
Parts and supplies	113,019	-	113,019	113,100	81	131,699
Outside repairs	120,901	2,009	118,892	120,000	1,108	120,857
Small tools and equipment	15,195	1,009	14,186	14,200	14	7,308
Gas and oil	94,509	-	94,509	95,110	601	112,951
Vehicle supplies	-	-	-	-	-	-
Tires	12,299	-	12,299	12,400	101	14,533
Levee supplies	18,226	4,105	14,121	14,500	379	50,000
Levee maintenance & repair	10,861	-	10,861	10,600	(261)	40,000
General supplies	49,011	4,125	44,886	45,000	114	-
Total Maintenance	2,530,325	97,532	2,732,793	2,741,498	8,705	2,667,701

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE - SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2011

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
NON-DEPARTMENTAL						
Insurance premiums	167,979	-	167,979	167,979	-	194,378
Claims and judgments	-	-	-	-	-	-
Ad valorem tax withholdings and commissions	-	-	-	-	-	-
Assessor	54,789	-	54,789	55,859	1,070	55,859
Sheriff	2,856	-	2,856	3,907	1,051	3,907
State retirement systems	160,180	-	160,180	153,000	(7,180)	156,060
Total Non-Departmental	385,804	-	385,804	380,745	(5,059)	410,204
DEBT SERVICE						
Principal	400,000	-	400,000	400,000	-	450,000
Interest	49,747	-	49,747	49,747	-	50,000
	449,747	-	449,747	449,747	-	500,000
CAPITAL OUTLAY						
Property, plant and equipment	384,206	-	384,206	384,206	-	664,000
Levee construction projects	-	-	-	-	-	-
	384,206	-	384,206	384,206	-	664,000
TOTAL EXPENDITURES	\$ 4,876,220	\$ 127,444	\$ 4,750,776	\$ 4,755,561	\$ 4,785	\$ 5,304,095

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Taxes						
Property Taxes	\$ 2,393,270	\$ -	\$ 2,393,270	\$ 2,450,000	\$ (56,730)	\$ 1,735,000
Intergovernmental						
State Revenue Sharing	51,400	-	51,400	42,449	8,951	42,449
SELFPA-W Admin Fee	-	-	-	-	-	-
Federal or State Grants	-	-	-	-	-	-
	<u>51,400</u>	<u>-</u>	<u>51,400</u>	<u>42,449</u>	<u>8,951</u>	<u>42,449</u>
Service charges, fees and commissions						
Oil & gas royalties	-	-	-	-	-	-
Permit fees	400	-	400	400	-	255
	<u>400</u>	<u>-</u>	<u>400</u>	<u>400</u>	<u>-</u>	<u>255</u>
Fines and forfeitures						
Interest						
Interest - cash accounts	13,715	7,325	6,390	5,683	707	10,000
Interest - investments	-	-	-	-	-	-
	<u>13,715</u>	<u>7,325</u>	<u>6,390</u>	<u>5,683</u>	<u>707</u>	<u>10,000</u>
Miscellaneous	9,020	-	9,020	-	9,020	-
TOTAL REVENUES	<u>\$ 2,467,805</u>	<u>\$ 7,325</u>	<u>\$ 2,460,480</u>	<u>\$ 2,498,532</u>	<u>\$ (38,052)</u>	<u>\$ 1,787,704</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE - SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
EXPENDITURES						
CURRENT						
PUBLIC WORKS						
EXECUTIVE						
Official journal	\$ 2,036	\$ -	\$ 2,036	\$ 2,100	\$ 64	\$ 3,000
Dues and subscriptions	1,421	-	1,421	1,600	179	712
Professional services						
Legal	38,815	-	38,815	29,500	(9,315)	20,840
Accounting and auditing	2,737	-	2,737	2,737	-	3,510
Computer	31,509	-	31,509	32,000	491	45,000
Other	15,728	-	15,728	15,000	(728)	16,200
Total Executive	92,246	-	92,246	82,937	(9,309)	89,262
ADMINISTRATIVE						
Convention/workshops	707	-	707	1,000	293	5,400
Postage	855	-	855	900	45	686
Office supplies	5,003	-	5,003	5,010	7	9,450
Repairs and maintenance						
Buildings	2,257	-	2,257	2,500	243	-
Equipment	5,282	-	5,282	5,300	18	2,500
Telephone	7,113	-	7,113	7,650	537	5,260
Internet	19,093	-	19,093	19,500	407	6,134
Property and equipment rental	3,636	-	3,636	3,900	264	4,050
Total Administrative	43,946	-	43,946	45,760	1,814	33,480
MAINTENANCE						
Repairs and maintenance						
Buildings	10,971	-	10,971	11,000	29	-
Equipment	-	-	-	-	-	-
Insurance - vehicles	227	-	227	-	(227)	-
Utilities	13,722	-	13,722	15,350	1,628	14,347
Property and equipment rental	47,916	-	47,916	48,000	84	21,600
Parts and supplies	20,001	-	20,001	20,346	345	-
Outside repairs and maintenance	24,452	-	24,452	25,400	948	-
Small tools and equipment	3,995	-	3,995	4,000	5	-
Gas and oil	22,458	-	22,458	23,550	1,092	-
Tires	3,206	-	3,206	3,230	24	-
Levee supplies	2,075	-	2,075	2,100	25	13,252
General supplies	18,437	-	18,437	19,600	1,163	12,248
Total Maintenance	167,460	-	167,460	172,376	5,116	61,447
NON-DEPARTMENTAL						
Insurance premiums	69,208	-	69,208	69,167	(41)	79,380
Total Non-Departmental	69,208	-	69,208	69,167	(41)	79,380
DEBT SERVICE						
Principal - Orleans Levee District	-	-	-	-	-	-
Interest	-	-	-	-	-	-
CAPITAL OUTLAY						
Property, plant and equipment	227,346	-	227,346	227,346	-	-
Levee construction projects	-	-	-	-	-	-
	227,346	-	227,346	227,346	-	-
TOTAL EXPENDITURES	\$ 600,206	\$ -	\$ 600,206	\$ 597,786	\$ (2,420)	\$ 263,569

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT EMERGENCY FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)
For The Year Ended June 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Intergovernmental				-		-
Federal	\$ -	\$ -	\$ -	\$ -	-	-
State	-	-	-	-	-	-
Interest	-	(13,822)	13,822	-	13,822	-
TOTAL REVENUES	<u>-</u>	<u>(13,822)</u>	<u>13,822</u>	<u>-</u>	<u>13,822</u>	<u>-</u>
EXPENDITURES						
MAINTENANCE						
PERSONNEL						
Maintenance	-	(73,114)	73,114	-	(73,114)	-
TOTAL PERSONNEL	<u>-</u>	<u>(73,114)</u>	<u>73,114</u>	<u>-</u>	<u>(73,114)</u>	<u>-</u>
OFFICE						
Office supplies	-	(1,699)	1,699	-	(1,699)	-
TOTAL OFFICE	<u>-</u>	<u>(1,699)</u>	<u>1,699</u>	<u>-</u>	<u>(1,699)</u>	<u>-</u>
PROFESSIONAL SERVICES						
Computer consultants	-	(12,936)	12,936	-	(12,936)	-
Other consultants	-	(18,158)	18,158	-	(18,158)	-
TOTAL PROFESSIONAL SERVICES	<u>-</u>	<u>(31,094)</u>	<u>31,094</u>	<u>-</u>	<u>(31,094)</u>	<u>-</u>
Maintenance						
Building	-	(2,857)	2,857	-	(2,857)	-
Outside repairs	-	(2,009)	2,009	-	(2,009)	-
Parts and supplies	-	(1,009)	1,009	-	(1,009)	-
TOTAL REPAIRS AND MAINTENANCE	<u>-</u>	<u>(5,875)</u>	<u>5,875</u>	<u>-</u>	<u>(5,875)</u>	<u>-</u>
OPERATING						
Property and equipment rental	-	(7,432)	7,432	-	(7,432)	-
Supplies - levee	-	(4,105)	4,105	-	(4,105)	-
Other	-	(4,125)	4,125	-	(4,125)	-
TOTAL OPERATING	<u>-</u>	<u>(15,662)</u>	<u>15,662</u>	<u>-</u>	<u>(15,662)</u>	<u>-</u>
SUBTOTAL - CURRENT EXPENDITURES	<u>-</u>	<u>(127,444)</u>	<u>127,444</u>	<u>-</u>	<u>(127,444)</u>	<u>-</u>
CAPITAL OUTLAY						
Equipment	-	-	-	-	-	-
Vehicles and heavy equipment	-	-	-	-	-	-
TOTAL CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>(127,444)</u>	<u>127,444</u>	<u>-</u>	<u>(127,444)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	(1,350,000)	1,350,000	1,350,000	-	1,350,000
Transfers Out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(1,350,000)</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>-</u>	<u>1,350,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>(1,236,378)</u>	<u>1,236,378</u>	<u>1,350,000</u>	<u>141,266</u>	<u>1,350,000</u>
FUND BALANCE						
Beginning of year	-	(4,153,085)	4,153,085	4,153,085	-	4,153,085
End of Year	<u>\$ -</u>	<u>\$ (5,389,463)</u>	<u>\$ 5,389,463</u>	<u>\$ 5,503,085</u>	<u>\$ 141,266</u>	<u>\$ 5,503,085</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT EMERGENCY FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)
For The Year Ended June 30, 2011**

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCES	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
REVENUES						
Intergovernmental						
Federal	\$ -	\$ -	\$ -	\$ -	-	\$ -
State	-	-	-	-	-	-
Interest	-	(7,325)	7,325	-	7,325	-
TOTAL REVENUES	<u>-</u>	<u>(7,325)</u>	<u>7,325</u>	<u>-</u>	<u>7,325</u>	<u>-</u>
EXPENDITURES						
MAINTENANCE						
REPAIRS AND MAINTENANCE						
Maintenance						
Building	-	-	-	-	-	-
Outside repairs	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Parts and supplies	-	-	-	-	-	-
Uniforms	-	-	-	-	-	-
Tires	-	-	-	-	-	-
TOTAL REPAIRS AND MAINTENANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SUBTOTAL - CURRENT EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CAPITAL OUTLAY						
Equipment	-	-	-	-	-	-
Vehicles and heavy equipment	-	-	-	-	-	-
TOTAL CAPITAL OUTLAY	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	(1,150,000)	1,150,000	1,150,000	-	1,150,000
Transfers Out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(1,150,000)</u>	<u>1,150,000</u>	<u>1,150,000</u>	<u>-</u>	<u>1,150,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>(1,157,325)</u>	<u>1,157,325</u>	<u>1,150,000</u>	<u>7,325</u>	<u>1,150,000</u>
FUND BALANCE						
Beginning of year	-	(1,881,240)	1,881,240	1,881,240	-	1,881,240
End of Year	<u>\$ -</u>	<u>\$ (3,038,565)</u>	<u>\$ 3,038,565</u>	<u>\$ 3,031,240</u>	<u>\$ 7,325</u>	<u>\$ 3,031,240</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE - CAPITAL PROJECT FUNI
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2011**

Hero to Cousins Pump Station E/S (Reach #520)	
Other attorneys	\$ -
Total Hero to Belle Chasse W/S	-
Cousins Pump Station (Reach #535)	
Engineering	-
Total Cousins Pump Station	-
Cousins Pump Station/Culvert (Reach #550)	
Board Attorney	3,456
Other attorneys	9,404
Total Cousins Pump Station/Culvert	12,860
Cousins Pump Station/Culvert #2 (Reach 555)	
Board Attorney	-
Other attorneys	4,596
Engineering	-
Construction costs	-
Levee supplies	360
Total Cousins Pump Station/Culvert #2	4,956
Cousins Pump Station/Culvert #3 (Reach #560)	
Levee supplies	-
Total Cousins Pump Station/Culvert #3	-
GIWW Western Closure (Reach #565)	
Other attorneys	21,219
Abstract and title fees	11,375
Surveys/testing	850
Appraisal fees	7,500
Total GIWW Western Closure	40,944
Hero Pump Station to Algiers Canal (Reach #570)	
Other attorneys	25,987
Abstract and title fees	20,753
Surveys/testing	-
Appraisal fees	13,500
Total Hero Pump Station to Algiers Canal	60,240
Hero Canal (Reach #580)	
Other attorneys	51,800
Abstract and title fees	3,562
Surveys/testing	3,535
Land	1,000
Total Hero Canal	59,897

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE - CAPITAL PROJECT FUNI
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2011**

Hero Canal to Oakville - Levees WBV-9a (Reach #581)	
Abstract and title fees	-
Total Hero Canal to Oakville - Levees WBV-9a	-
??? (Reach # 582)	
Abstract and title fees	12,193
Total Hero Canal to Oakville - Levees WBV-9a	12,193
GIWW Western Tie-in Closure (Reach # 595)	
Other consultants	576
Total GIWW Western Tie-in Closure	576
Cataouatche Levee (Reach #800)	
Board Attorney	1,575
Other attorneys	14,919
Abstract and title fees	-
Total Cataouatche Levee	16,494
Churhill Farms Borrow Pit (Reach #801)	
Other attorneys	32,655
Other consultants	2,952
Total Churhill Farms Borrow Pit	35,607
Westbank Borrow Site F (Reach # 802)	
Other attorneys	-
Appraisal fees	13,000
Total Westbank Borrow Site F	13,000
Lake Cataouatche PS Fronting Protection WBV-15b2 (Reach #803)	
Abstract and title fees	-
Total Lake Cataouatche PS Fronting Protection WBV-15b2	-
Bayou Segnette P/S to Company Canal (Reach #805)	
Other attorneys	-
Abstract and title fees	-
Surveys/testing	1,658
Total Bayou Segnette P/S to Company Canal	1,658
Bayou Segnette Floodwall to Lake Cataouatche Pump Sta (Reach #815)	
Other attorneys	4,156
Abstract and title fees	6,338
Surveys/testing	853
Appraisal fees	5,000
Total Bayou Segnette Floodwall	16,347

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE - CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2011**

Lake Cataouatche Pump Station to Hwy (Reach #820)	
Other attorneys	4,156
Abstract and title fees	1,369
Appraisal fees	525
Total Lake Cataouatche Pump Station to Hwy	<u>6,050</u>
Western Tie In - East-West Levee - WBV-72 (Reach # 825)	
Other attorneys	20,038
Abstract and title fees	15,092
Relocation	-
Total Western Tie In - East-West Levee -WBV-72	<u>35,130</u>
Western Tie In - Closure Structure WB-74 (Reach #826)	
Other attorneys	3,631
Abstract and title fees	-
Other consultants	936
Total Western Tie In - Closure Structure WB-74	<u>4,567</u>
Western Tie In = Sand Cell WBV-70 (Reach #828)	
Abstract and title fees	1,508
Total Western Tie In = Sand Cell WBV-70	<u>1,508</u>
Project Management (Reach #900)	
Other attorneys	29,803
Other consultants	142,274
Bank charges	2,000
Total Project Management	<u>174,077</u>
Company Canal (Reach #901)	
Other attorneys	1,881
Abstract and title fees	2,800
Appraisal fees	2,500
Total Company Canal	<u>7,181</u>
Old Westwego to New Westwego (Reach #905)	
Other attorneys	6,761
Abstract and title fees	7,409
Total Old Westwego to New Westwego	<u>14,170</u>
New Westwego to Orleans Village (Reach #910)	
Other attorneys	1,706
Abstract and title fees	-
Total New Westwego to Orleans Village	<u>1,706</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE - CAPITAL PROJECT FUNI
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2011**

Orleans Village to Highway 45 (Reach #915)		
Surveys/testing	-	
Total Orleans Village to Highway 45	-	
V-Line West (Reach #925)		
Purchase of servitudes	-	
Total V-Line West	-	
Highway 3134 Elevation (Reach #930)		
Other attorneys	1,400	
Abstract and title fees	4,500	
Surveys/testing	1,260	
Appraisal fees	4,500	
Total Highway 3134 Elevation	11,660	
V-Line East (Reach #935)		
Abstract and title fees	780	
Surveys/testing	2,605	
Total V-Line East	3,385	
Estelle Pump Station to Cousins (Reach #940)		
Other attorneys	2,362	
Abstract and title fees	-	
Total Estelle Pump Station to Cousins	2,362	
TOTAL EXPENDITURES	\$ 536,568	

SUPPLEMENTARY INFORMATION

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF COMMISSIONERS' PER DIEMS
For The Year Ended June 30, 2011**

<u>NAME</u>	<u>NUMBER OF REGULAR MEETINGS</u>	<u>PER DIEM PAID</u>
Paul Dauphin	23	\$ 3,145
Susan Maclay	12	12,000
Michael Merritt	12	1,756
Mark Morgan	24	3,236
Gerard Viera	26	3,586
Joannes Westerink	9	1,227
Wesley Wilkinson	15	2,122
	<u>121</u>	<u>\$ 27,072</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF STATE FUNDING
For The Year Ended June 30, 2011**

DESCRIPTION OF FUNDING	AMOUNT
General Revenues:	
State Appropriation - Dept of Natural Resources - SELFPA-W funding	\$ 500,000
State Revenue Sharing	
West Jefferson Levee District	454,966
Algiers Levee District	51,400
	<u>506,366</u>
Capital Grants:	
State Capital Outlay - DOTD State Project No. 750-99-0102 (WB Hurricane Protection Levee)	428,534
Coastal Protection and Restoration Fund	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase I)	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase II)	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase III)	-
	<u>428,534</u>
TOTAL	<u>\$ 1,434,900</u>

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST
(Agency Name)
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2011

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

Balance Sheet A

Statement of Revenues, Expenses, and Changes in Fund Net Assets B

Statement of Activities (See Also Instructions for Simplified Statement of Activities) C

Statement of Cash Flows D

Notes to the Financial Statements

- A. Summary of Significant Accounting Policies
- B. Budgetary Accounting
- C. Deposits with Financial Institutions and Investments (See OSRAP Memo 11-36, Appendix A)
- D. Capital Assets – Including Capital Lease Assets
- E. Inventories
- F. Restricted Assets
- G. Leave
- H. Retirement System
- I. Other Postemployment Benefits (Additional information in OSRAP Memo 11-36, Appendix D)
- J. Leases
- K. Long-Term Liabilities
- L. Contingent Liabilities
- M. Related Party Transactions
- N. Accounting Changes
- O. In-Kind Contributions
- P. Defeased Issues
- Q. Revenues or Receivables – Pledged or Sold (GASB 48) (See OSRAP Memo 11-36, Appendix E)
- R. Government-Mandated Nonexchange Transactions (Grants)
- S. Violations of Finance-Related Legal or Contractual Provisions
- T. Short-Term Debt
- U. Disaggregation of Receivable Balances
- V. Disaggregation of Payable Balances
- W. Subsequent Events
- X. Segment Information
- Y. Due to/Due from and Transfers

- Z. Liabilities Payable from Restricted Assets
- AA. Prior-Year Restatement of Net Assets
- BB. Net Assets Restricted by Enabling Legislation (See OSRAP Memo 11-36, Appendix C)
- CC. Impairment of Capital Assets (See OSRAP Memo 11-36, Appendix B)
- DD. Employee Termination Benefits
- EE. Pollution Remediation Obligations
- FF. American Recovery and Reinvestment Act (ARRA)

Schedules

- 1 Schedule of Per Diem Paid to Board Members
- 2 Not Applicable
- 3 Schedules of Long-Term Debt
- 4 Schedules of Long-Term Debt Amortization
- 5 Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non-GAAP Basis (applicable only for entities whose budget is appropriated by the legislature)
- 15 Schedule of Comparison Figures and Instructions
- 16 Schedule of Cooperative Endeavors (see OSRAP Memo 11-36 Appendix F)

See the Appendix Packet on our Website (OSRAP Memo 11-36)

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ended June 30, 2011

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST
7001 RIVER ROAD
MARRERO, LA 70072
(Agency Name & Mailing Address)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

LLAFileroom@lla.la.gov

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, SUSAN MACLAY (Name) PRESIDENT (Title) of SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (THE “WEST AUTHORITY”)(Agency) who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of THE WEST AUTHORITY (agency) at June 30, 2011 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 31ST day of AUGUST, 2011.

Signature of Agency Official

NOTARY PUBLIC

Prepared by: PAUL C. RIVERA, CPA

Title: OWNER, EXTERNAL AUDITOR

Telephone No.: (504) 371-4390

Date: AUGUST 31, 2011

Email Address: RIVERAPCPA@COX.NET

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2011**

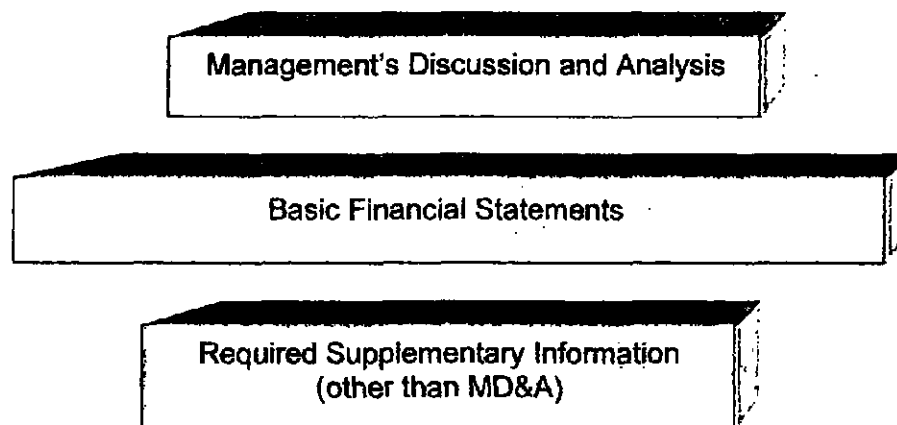
Management's Discussion and Analysis of the WEST AUTHORITY's (BTA) financial performance presents a narrative overview and analysis of THE WEST AUTHORITY's (BTA) financial activities for the year ended June 30, 2011. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the _____'s (BTA) financial statements, which begin on page ____.

FINANCIAL HIGHLIGHTS

- ★ The WEST AUTHORITY'S (BTA) assets exceeded its liabilities at the close of fiscal year 2011 by \$23,141, which represents a 63.6% decrease from last fiscal year.
- ★ The WEST AUTHORITY's (BTA) revenue increased \$154 (or 405.3%) and the net results from activities decreased by \$40,463 (or 63.6%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the WEST AUTHORITY (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet (pages __ - __) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the WEST AUTHORITY (BTA) is improving or deteriorating.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2011**

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages __ - __) presents information showing how THE WEST AUTHORITY's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (pages __ - __) presents information showing how THE WEST AUTHORITY's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2011 (in thousands)		
	Total	
	2011	2010
Current and other assets	\$ 15,914	\$ 13,091
Capital assets	8,917	52,320
Total assets	24,831	65,411
Other liabilities	81	-
Long-term debt outstanding	1,609	1,807
Total liabilities	1,690	1,807
Net assets:		
Invested in capital assets, net of debt	8,117	51,119
Restricted	-	-
Unrestricted	15,024	12,485
Total net assets	\$ 23,141	\$ 63,604

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of THE WEST AUTHORITY (BTA) decreased by \$40,463, or 63.6%, from June 30, 2010 to June 30, 2011. The primary reason is due to the deletion of INFRASTRUCTURE ASSETS ON THE WESTBANK HURRICANE LEVEE PROJECT THAT HAVE BEEN REPLACED BY THE CORPS OF ENGINEERS. Other causes include _____.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2011

Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2011
(in thousands)

	Total	
	2011	2010
Operating revenues	\$ 192	\$ 38
Operating expenses	5,925	6,380
Operating income(loss)	(5,733)	(6,342)
Non-operating revenues	8,856	8,545
Non-operating expenses *	(50)	(66)
Income(loss) before transfers and extraordinary ite	3,073	2,137
Transfers in	-	-
Transfers out	-	-
Extraordinary item - deletion of infrastructure assets	(43,536)	-
	(43,536)	-
Net increase(decrease) in net assets	\$ (40,463)	\$ 2,137

* Enter expenses as a negative amount

The WEST AUTHORITY's (BTA) total revenues increased) by \$ 154 or 405.3%. The total cost of all programs and services decreased by \$455 or 7.1%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year ended June 30, 2011, the WEST AUTHORITY (BTA) had \$8,917 invested in a broad range of capital assets, including LAND, BUILDINGS, MACHINERY & EQUIPMENT, AND VEHICLES (see accompanying Table). This amount represents a net decrease (including additions and deductions) of \$43,403, or 82.9%, over last year.

This year's major additions included (in thousands):

- \$101 WAS SPENT ON OFFICE EQUIPMENT AND SOFTWARE
- \$533 WAS SPENT ON TRACTORS AND MOWERS
- \$407 OF TRACTORS AND MOWERS WERE DISPOSED OF
- \$51,502 OF INFRASTRUCTURE LEVEES WERE DELETED

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2011**

	2011	2010
Land	\$ 5,788	\$ 5,788
Buildings and improvements	1,899	2,055
Equipment	1,230	940
Infrastructure	-	43,536
Intangible Assets	-	-
Totals \$	8,917	\$ 52,319

Debt

The WEST AUTHORITY (BTA) had \$ 800 thousand in bonds and notes outstanding at year-end, compared to \$1,200 thousand last year, a decrease of 33.3 % as shown in the accompanying table.

Outstanding Debt at Year-end (in thousands)		
	2011	2010
General Obligation Bonds	\$ -	\$ -
Revenue Bonds and Notes	800	1,200
Totals \$	800	\$ 1,200

New debt resulted from _____. The _____ (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The _____ (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$ ____ million over/under budget and expenditures were more than/less than budget due in part to _____.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2011**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The WEST AUTHORITY's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- UNEMPLOYMENT RATE OF 7.8 PERCENT
- STATE WILL CONTINUE TO FUND \$500 FOR GENERAL FUND EXPENDITURES
- MILLAGE RATES WILL STAY THE SAME
-

The _____ (BTA) expects that next year's results will improve based on the following:

-
-
-

CONTACTING THE WEST AUTHORITY'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the WEST AUTHORITY's (BTA) finances and to show the WEST AUTHORITY's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact BOARD PRESIDENT, SELFPA-WEST AT 7001 RIVER ROAD, MARRERO, LA 70072 OR CALL 504-340-0318.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
BALANCE SHEET
AS OF JUNE 30, 2011

Statement A

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 15,525
Restricted Cash and Cash Equivalents	
Investments	274
Derivative instrument	
Deferred outflow of resources	
Receivables (net of allowance for doubtful accounts)(Note U)	115
Due from other funds (Note Y)	
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	15,914

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Investments	
Notes receivable	
Capital assets, net of depreciation (Note D)	
Land and non-depreciable easements	5,788
Buildings and improvements	1,900
Machinery and equipment	1,229
Infrastructure	
Intangible assets	
Construction/Development-in-progress	
Other noncurrent assets	
Total noncurrent assets	8,917
Total assets	\$ 24,831

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 81
Derivative instrument	
Deferred inflow of resources	
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities: (Note K)	
Contracts payable	
Compensated absences payable	238
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Pollution remediation obligation	
Bonds payable (include unamortized costs)	400
Other long-term liabilities	
Total current liabilities	719

NONCURRENT LIABILITIES: (Note K)

Contracts payable	
Compensated absences payable	
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Pollution remediation obligation	
Bonds payable (include unamortized costs)	400
OPEB payable	571
Other long-term liabilities	
Total noncurrent liabilities	971
Total liabilities	1,690

NET ASSETS

Invested in capital assets, net of related debt	
Restricted for:	
Capital projects	551
Debt Service	
Unemployment compensation	
Other specific purposes	
Unrestricted	22,590
Total net assets	23,141
Total liabilities and net assets	\$ 24,831

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA**Statement B****SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011****OPERATING REVENUE**

Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	151
Other	41
Total operating revenues	192

OPERATING EXPENSES

Cost of sales and services	5,523
Administrative	_____
Depreciation	402
Amortization	_____
Total operating expenses	5,925
Operating income(loss)	(5,733)

NON-OPERATING REVENUES(EXPENSES)

State appropriations	500
Intergovernmental revenues(expenses)	935
Taxes	7,291
Use of money and property	51
Gain on disposal of fixed assets	79
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest expense	(50)
Other revenue	-
Other expense	_____
Total non-operating revenues(expenses)	8,806

Income(loss) before contributions, extraordinary items, & transfers 3,073

Capital contributions	_____
Extraordinary item - Loss DELETION/TRANSFER of capital assets	(43,536)
Transfers in	_____
Transfers out	_____

Change in net assets (40,463)

Total net assets – beginning 63,604

Total net assets – ending \$ 23,141

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Statement C

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
				Net (Expense) Revenue and Changes in Net Assets
Entity	\$ <u>5,975</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>429</u>
General revenues:				
Taxes				<u>7,291</u>
State appropriations				<u>500</u>
State revenue sharing				<u>506</u>
Commissions and royalties				<u>151</u>
Interest				<u>51</u>
Gain (loss) on sale of equipment				<u>79</u>
Miscellaneous				<u>41</u>
Special items				
Extraordinary item - Loss on deletion/transfer of capital assets				<u>(43,536)</u>
Transfers				
Total general revenues, special items, and transfers				<u>(34,917)</u>
Change in net assets				<u>(40,463)</u>
Net assets - beginning as restated				<u>63,604</u>
Net assets - ending				\$ <u>23,141</u>

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011**

**Statement D
(continued)**

Cash flows from operating activities

Cash received from customers	\$	
Cash payments to suppliers for goods and services		(2,405)
Cash payments to employees for services		(2,916)
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		192
Net cash provided(used) by operating activities		(5,129)

Cash flows from non-capital financing activities

State appropriations		500
State Revenue Sharing		506
Federal disbursements		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Property Taxes		7,188
Net cash provided(used) by non-capital financing activities		8,194

Cash flows from capital and related financing activities

Proceeds from sale of bonds		
Principal paid on bonds		(400)
Interest paid on bond maturities		(50)
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		(553)
Proceeds from sale of capital assets		178
State Grants - Coastal Restoration - DNR		436
Other		
Net cash provided(used) by capital and related financing activities		(389)

Cash flows from investing activities

Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities		50
Net cash provided(used) by investing activities		50

Net increase(decrease) in cash and cash equivalents		2,726
Cash and cash equivalents at beginning of year		12,799
Cash and cash equivalents at end of year	\$	15,525

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

Statement D

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ <u>(5,733)</u>
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:		
Depreciation/amortization	<u>402</u>	
Provision for uncollectible accounts	<u></u>	
Other	<u></u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>-</u>	
(Increase)decrease in due from other funds	<u></u>	
(Increase)decrease in prepayments	<u></u>	
(Increase)decrease in inventories	<u></u>	
(Increase)decrease in other assets	<u></u>	
Increase(decrease) in accounts payable and accruals	<u>-</u>	
Increase(decrease) in compensated absences payable	<u>7</u>	
Increase(decrease) in due to other funds	<u></u>	
Increase(decrease) in deferred revenues	<u></u>	
Increase(decrease) in OPEB payable	<u>195</u>	
Increase(decrease) in other liabilities	<u></u>	
Net cash provided(used) by operating activities		\$ <u><u>(5,129)</u></u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$ <u></u>
Contributions of fixed assets	<u></u>
Purchases of equipment on account	<u></u>
Asset trade-ins	<u></u>
Other (specify)	<u></u>
Transfer/Deletion of infrastructure assets	<u>(43,536)</u>
	<u></u>
	<u></u>
Total noncash investing, capital, and financing activities:	\$ <u><u>(43,536)</u></u>

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

INTRODUCTION

The WEST AUTHORITY(BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute ACT 1 OF FIRST EXTRAORDINARY SESSION OF 2006, ACT 820 OF 1980 LEGISLATIVE SESSION, AND ACT 475 OF 2007 LEGISLATIVE SESSION. The following is a brief description of the operations of THE WEST AUTHORITY (BTA) and includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of THE WEST AUTHORITY (BTA) present information only as to the transactions of the programs of the THE WEST AUTHORITY (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the WEST AUTHORITY (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the WEST AUTHORITY (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

	WEST AUTHORITY GENERAL FUND APPROPRIATIONS	WJLD O&M FUND APPROPRIATIONS	ALD O&M FUND APPROPRIATIONS
Original approved budget	\$ 473	\$ 5,304	\$ 264
Amendments:	(81)	(549)	334
Final approved budget	\$ 392	\$ 4,755	\$ 598

- C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Memo 11-36, Appendix A, for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the WEST AUTHORITY (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at JUNE 30, 2011, consisted of the following:

	Cash	Nonnegotiable Certificates of Deposit	Other (Describe)	Total
Deposits per Balance Sheet (Reconciled bank balance)	\$ 15,525	\$	\$	\$ 15,525
Deposits in bank accounts per bank	\$ 15,550	\$	\$	\$ 15,550
Bank balances exposed to custodial credit risk:	\$	\$	\$	\$
a. Uninsured and uncollateralized				
b. Uninsured and collateralized with securities held by the pledging institution				
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's				

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Deposits per Balance Sheet" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. CAPITAL ONE BANK	VARIOUS	\$ 15,550
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 15,550

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

The WEST AUTHORITY (BTA) does/does not maintain investment accounts as authorized by LRS 33:2955 (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent, but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Negotiable CDs	\$ _____	\$ _____	\$ _____	\$ _____
Repurchase agreements	_____	_____	_____	_____
U.S. Government Obligations **	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Mortgages (including CMOs & MBSs)	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____
Real estate	_____	_____	_____	_____
External Investment Pool (LAMP) ***	_____	_____	274	274
External Investment Pool (Other)	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ 274	\$ 274

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix A, Memo 11-36 for the definition of US Government Obligations)

*** LAMP investments should not be included in deposits AND should be identified separately in this table to

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
STANDARD AND POORS	AAAm	\$ 274
	Total	\$ 274

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments, unless you have an external investment pool as discussed in OSRAP Memo 11-22.)

<u>Type of Debt Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater Than 10</u>
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds (describe)					
Mutual bond funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See OSRAP Memo 11-36, Appendix A, for examples of debt investments that are highly sensitive to changes in interest rates.

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
	\$	
Total	\$ -	

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

Issuer	Amount	% of Total Investments
LAMP	\$ 274	100
Total	\$ 274	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

Foreign Currency	Fair Value in U.S. Dollars	
	Bonds	Stocks
	\$	\$
Total	\$ -	\$ -

4. DERIVATIVES (GASB 53)

A. Summary of Derivative Instruments

Complete the following table, "Summary of Derivative Instruments" for all derivative instruments held by the entity at June 30, 20____. If no derivative instruments were held by the entity at June 30, please state "None".

NONE HELD

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Summary of Derivative Instruments

Type	Notional	Changes in Fair Value Classification	Amount	Fair Value at June 30 Classification	Amount *
<u>Investment Derivative Instruments:</u>			\$		\$
<u>Fair Value Hedges:</u>			\$		\$
<u>Cash Flow Hedges:</u>			\$		\$

*If fair value is based on other than quoted market prices, the methods and significant assumptions used to estimate those fair market values should be disclosed.

B. Investment Derivative Instruments

Investment derivative instruments include derivative instruments that are not effective or are no longer effective and cannot be classified as hedging derivative instruments. Separately list each investment derivative instrument included in the table above and discuss the exposure to risk from these investments for the following risks:

1. Credit Risk of Investment Derivative Instruments

2. Interest Rate Risk of Investment Derivative Instruments

Investment Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years)			
			Less than 1	1 - 5	6 - 10	More than 10

Disclose the reference rate for each investment derivative instrument along with any embedded options

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

3. Foreign Currency Risk of Investment Derivative Instruments

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
	\$	\$
Total	\$ -	\$ -

4. Reclassification from Hedging Derivative Instrument to Investment Derivative Instrument

<u>Item Reclassified</u>	<u>Notional Amount</u>	<u>Ineffective @ 6/30/11 (Y/N)</u>	<u>Fair Value @ 6/30/11</u>	<u>Ineffective @ 6/30/10 (Y/N)</u>	<u>Fair Value @ 6/30/10</u>	<u>Change in Fair Value @ 6/30/11</u>
						-
						-
						-
						-

C. Hedging Derivative Instruments

Complete the following table- Terms and Objectives of Hedging Derivative Instruments - for all hedging derivative instruments held by the entity at June 30, 20__.

<u>Terms and Objectives of Hedging Derivative Instruments</u>						
<u>Type</u>	<u>Notional</u>	<u>Objective</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Terms *</u>	<u>Counterparty Credit Rating</u>

*Terms include reference rates, embedded options, and the amount of cash paid or received, if any, when a forward contract or swap (including swaptions) was entered into.

Interest rates and the various swap indices change over time. Use the schedule below to summarize payments on the swap and interest payments to bondholders for applicable hedging derivative instruments.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

List each hedging derivative separately, and discuss the exposure to risk from these hedges for the following risks:

Hedging Derivative Instrument	Counterparty Swap Payment			Interest Payments to Bondholders	Total Payments
	To	From	Net		

1. Credit Risk of Hedging Derivative Instruments

2. Interest Rate Risk of Hedging Derivative Instruments

Hedging Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years)			
			Less than 1	1 - 5	6 - 10	More than 10

3. Basis Risk of Hedging Derivative Instruments

4. Termination Risk of Hedging Derivative Instruments

5. Rollover Risk of Hedging Derivative Instruments

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

6. Market-Access Risk of Hedging Derivative Instruments

7. Foreign Currency Risk of Hedging Derivative Instruments

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
	\$	\$
Total	\$	\$

If any hedged items are a debt obligation, then its net cash flows are required to be disclosed in accordance with GASB Statement No. 38, paragraphs 10 – 11. This information, if applicable, should be provided below, and will be included in Note 8 of the CAFR.

Using the following chart, provide the principal and interest requirements to maturity for those hedged items that are a debt obligation. If your fiscal year ends other than June 30, change the date within the table. If the number of years for your debt to terminate exceeds the years listed, add those years to the table (in 5 year increments).

Debt and Lease Obligations for Hedged Debt (per GASB 38, paragraph 10)

<u>Fiscal Year Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Hedging Derivative</u> <u>Instruments, Net</u>	<u>Total</u>
2012	\$	\$	\$	\$
2013				-
2014				-
2015				-
2016				-
2017-2021				-
2022-2026				-
2027-2031				-
2032-2036				-
2037-2041				-
Total				

Note: The hedging derivative column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

List any terms by which the interest rates change for variable-rate debt.

Using the following chart, provide the future minimum lease payments for those hedged items that are obligations under capital and noncancelable operating leases (per GASB 38, paragraph 11). If your fiscal year ends other than June 30, change the date within the table. If the number of years for your lease extends beyond the years listed, add those years to the table (in 5 year increments).

Fiscal Year Ending June 30	Minimum Future Lease Payment
2012	\$
2013	
2014	
2015	
2016	
2017-2021	
2022-2026	
2027-2031	
2032-2036	
2037-2041	
Total	-

If effectiveness is determined by another quantitative method not identified in GASB Statement No. 53, provide the identity and characteristics of the method used, the range of critical terms the method tolerates, and the actual critical terms of the hedge.

D. Contingent Features

Disclose any contingent features that are included in derivative instruments held at the end of the reporting period. The required disclosures include (1) the existence and nature of contingent features and the circumstances in which the features could be triggered, (2) the aggregate fair value of derivative instruments that contain those features, (3) the aggregate fair value of assets that would be required to be posted as collateral or transferred in accordance with the provisions related to the triggering of the contingent liabilities, and (4) the amount, if any, that has been posted as collateral by the government as of the end of the reporting period.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

E. Hybrid Instruments

If your entity has any hybrid instruments, disclosure of the companion instrument should be consistent with disclosures required of similar transactions. List any hybrid instruments below and provide information regarding any hybrid instruments and a reference to where the required disclosures can be found. If the required disclosures are not presented elsewhere, provide those disclosures below. If your entity does not have any hybrid instruments, state "None".

F. Synthetic Guaranteed Investment Contracts (SGICs)

If your entity has a fully benefit-responsive SGIC, then a description of the nature of the SGIC and the SGIC's fair value (including separate disclosure of the fair value of the wrap contract and the fair value of the corresponding underlying investments) should be disclosed as of the end of the reporting period. Provide those required disclosures below. If your entity does not have any, state "None".

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

**CAN ONLY INVEST IN US TREASURIES OR DISCOUNT NOTES WITH
MATURITIES OF LESS THAN 2 YEARS.**

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

a. Investments in pools managed by other governments or mutual funds

b. Securities underlying reverse repurchase agreements

c. Unrealized investment losses

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:

1. Carrying amount and market value at June 30 of securities to be resold

2. Description of the terms of the agreement

e. Losses during the year due to default by counterparties to deposit or investment transactions _____

f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

g. Source of legal or contractual authorization for use of reverse repurchase agreements

h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End

i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest

j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____

k. Market value on _____ (fiscal close) of the securities to be repurchased

l. Description of the terms of the agreements to repurchase _____

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement

Fair Value Disclosures (GASB 31)

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices
- p. Basis for determining which investments, if any, are reported at amortized cost
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares
- s. Any involuntary participation in an external investment pool
- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate
- u. Any income from investments associated with one fund that is assigned to another fund

Land and Other Real Estate Held as Investments by Endowments (GASB 52)

- v. (agency/entity) owns land or other real estate held as investments by endowments. (yes/no) Land or real estate held as investments by endowments is reported at fair value in the entity's financial statements and any applicable fair value note disclosures are reported in the preceding fair value disclosure section.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Schedule of Capital Assets (includes capital leases)

<u>University/System</u>	Balance 6/30/2010	Prior Period Adjustments	Restated Balance 6/30/2010	Additions	* Reclassifi- cation of C/P	** Retirements	Balance 6/30/2011
Capital assets not depreciated:							
Land	\$ 5,788	\$ -	\$ 5,788	\$ -	\$ -	\$ -	\$ 5,788
Non-depreciable land improvements							
Non-depreciable easements							
Capitalized collections							
Software - development in progress							
Construction in progress							
Total capital assets not depreciated	\$ 5,788	\$ -	\$ 5,788	\$ -	\$ -	\$ -	\$ 5,788
Other capital assets:							
Depreciable land improvements							
** Accumulated depreciation							
Total infrastructure							
Buildings							
** Accumulated depreciation	3,896	-	3,896	-	-	-	3,896
Total land improvements	(1,840)	-	(1,840)	(155)	-	-	(1,995)
Machinery & Equipment	2,056	-	2,056	(155)	-	-	1,901
** Accumulated depreciation	2,205	-	2,205	634	-	(407)	2,432
Total buildings	(1,265)	-	(1,265)	(247)	-	308	(1,204)
Infrastructure	940	-	940	(309)	-	(99)	532
** Accumulated depreciation	51,502	-	51,502	-	-	(51,502)	-
Total equipment	(7,966)	-	(7,966)	-	-	7,966	-
Software (internally generated & purchased)	43,536	-	43,536	-	-	(43,536)	-
Other intangibles							
** Accumulated amortization - software							
** Accumulated amortization - other intangibles							
Total intangibles							
Total other capital assets	\$ 46,532	\$ -	\$ 46,532	\$ (464)	\$ -	\$ (43,635)	\$ 2,433
Capital asset summary:							
Capital assets not depreciated	\$ 5,788	\$ -	\$ 5,788	\$ -	\$ -	\$ -	\$ 5,788
Other capital assets, book value	57,603	-	57,603	634	-	(51,909)	6,328
Total cost of capital assets	63,391	-	63,391	634	-	(51,909)	12,116
Accumulated depreciation/amortization	(11,071)	-	(11,071)	(402)	-	8,274	(3,199)
Capital assets, net	\$ 52,320	\$ -	\$ 52,320	\$ 232	\$ -	\$ (43,635)	\$ 8,917

* Should only be used for those completed projects coming out of construction-in-progress to fixed assets.

** Enter a negative number except for accumulated depreciation in the retirement column

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

If other intangible assets were reported in the table above, list the types of intangible assets, their cost, and accumulated amortization for each type of intangible assets reported.

E. INVENTORIES

The BTA's inventories are valued using _____ (method of valuation – FIFO, LIFO, weighted average, moving average, specific identification, etc). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:

G. LEAVE

1. COMPENSATED ABSENCES

The WEST AUTHORITY (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal year end) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ _____. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://lasers.websitegadget.com/uploads/LASERS_2010_CAFR.pdf

Members are required by state statute to contribute with the single largest group (“regular members”) contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 20__, decreased / increased to __% of annual covered payroll from the __% and __% required in fiscal years ended June 30, 2010 and 2009 respectively. The (BTA) contributions to the System for the years ending June 30, 2011, 2010, and 2009, were \$____, \$____, and \$____, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses accounting and financial reporting for OPEB trust and agency funds of the employer. GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. See the GASB Statement No. 45 note disclosures requirements in section 2 of this note.

1. Calculation of Net OPEB Obligation

Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits. The ARC, NOO at the beginning of the year, interest, ARC adjustment, and Annual OPEB Expense have been computed for OGB participants (see OSRAP’s website - <http://www.doa.louisiana.gov/OSRAP/afipackets.htm>) and select “GASB 45 OPEB Valuation Report as of July 1, 2010, to be used for fiscal year ending June 30, 2011.” Report note disclosures for other plans, not administrated by OGB, separately.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Annual OPEB expense and net OPEB Obligation		6/30/2011
Fiscal year ending		
1. * ARC		\$337
2. * Interest on NOO (4%)		\$15
3. * ARC adjustment		(\$21)
4. * Annual OPEB Expense (1. + 2. - 3.)		\$331
5. Contributions (employer pmts. to OGB for retirees' cost of 2011 insurance premiums)		(\$136)
6. Increase in Net OPEB Obligation (4. - 5.)		\$195
7. *NOO, beginning of year (see actuarial valuation report on OSRAP's website)		\$376
8. **NOO, end of year (6. + 7.)		\$571

*This must be obtained from the OSRAP website on the spreadsheet "GASB 45 OPEB Valuation Report as of July 1, 2010, to be used for fiscal year ending June 30, 2011."

**This should be the same amount as that shown on the Balance Sheet for the year ended June 30, 2011 if your entity's only OPEB is administered by OGB.

For more information on calculating the annual OPEB expense and the net OPEB obligation, see OSRAP Memo 11-36, Appendix D, on our website.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB 45 note disclosures are required for separately issued GAAP financial statements. Please provide OSRAP with the applicable GASB 43 and 45 note disclosures if your entity's OPEB group insurance plan is administered by an entity other than OGB. Following is a summary of the requirements of GASB Statement 45.

I. Plan Description

- Name of Plan
- Identify entity that administers the plan
- Type of plan
- Brief description of the types of benefits
- Authority under which benefit provisions are established or may be amended
- Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so how to obtain the report.

II. Funding Policy

- Authority under which the obligations of the plan members, employers, and other contributing entities (e.g., state contributions to local government plans) to contribute to the plan are established or may be amended.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

- b) Required contribution rates of plan members (amount per member or percentage of covered payroll).
- c) Required contribution rates of the employer in accordance with the funding policy (in dollars or as percentage of current-year covered payroll) and, if applicable, legal or contractual maximum contribution rates: If the plan is a single-employer or agent plan and the rate differs significantly from the ARC, disclose how the rate is determined (e.g., by statute or contract) or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (e.g., by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.

III. Additional disclosures for sole and agent employers for each plan:

- a) For current year (CY), annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and the adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.
- b) For the current year and each of the two preceding years, disclose annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)
- c) Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. However, employers that meet the criteria in GASB Statement 45, paragraph 11 may elect to use the alternative measurement method discussed in GASB Statement 45, paragraphs 33 through 35. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.
- d) Information about the actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including the following:
 - 1) Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.
 - 2) Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

- 3) Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations (as discussed in the disclosure of funding policy in paragraph II(c) above) on the pattern of cost sharing between the employer and plan members in the future.
- 4) Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.
- 5) Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph III(c) above. The disclosures should include:
 - (a) The actuarial cost method.
 - (b) The method(s) used to determine the actuarial value of assets.
 - (c) The assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates.
 - (d) The amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open. Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.

IV. Required Supplementary Information:

Sole and agent employers should present the following information for the most recent actuarial valuation and the two preceding valuations:

- a. Information about the funding progress of the plan, including, for each valuation, each of the elements of information listed in paragraph III(c) above.
- b. Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.)

The information should be calculated in accordance with the parameters and should be presented as RSI. Employers that use the aggregate actuarial cost method should prepare the information using the entry age actuarial cost method and should disclose that fact and that the purpose of this disclosure is to provide information that approximates the funding progress of the plan.

If the cost-sharing plan in which an employer participates does not issue and make publicly available a stand-alone plan financial report prepared in accordance with the requirements of Statement 43, and the plan is not included in the financial report of a PERS or another entity, the cost-sharing employer should present as RSI in its own financial report schedules of funding progress and employer contributions for the plan (and notes to these schedules), prepared in accordance with the requirements of Statement 43. The employer should disclose that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer, and should provide information helpful for understanding the scale of the information presented relative to the employer.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$ _____. (Note: If lease payments extend past FY 2026, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

Nature of lease	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017- 2021	FY 2022- 2026
Office Space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____	_____	_____	_____
Land	_____	_____	_____	_____	_____	_____	_____
Other	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

2. CAPITAL LEASES

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/11. In Schedule B, report only those new leases entered into during fiscal year 2010-2011.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

	Gross Amount of	Remaining	Remaining
	Leased Asset	interest to	principal to
		end of	end of
<u>Nature of lease</u>	<u>(Historical Costs)</u>	<u>lease</u>	<u>lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Buildings	_____	_____	_____
c. Equipment	_____	_____	_____
d. Land	_____	_____	_____
e. Other	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2031, create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	Total
2012	\$ _____
2013	_____
2014	_____
2015	_____
2016	_____
2017-2021	_____
2022-2026	_____
2027-2031	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Buildings	_____	_____	_____
c. Equipment	_____	_____	_____
d. Land	_____	_____	_____
e. Other	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2031, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2012	\$ _____
2013	_____
2014	_____
2015	_____
2016	_____
2017-2021	_____
2022-2026	_____
2027-2031	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
d. Other	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases financed through the LEAF program, together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2031, create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30:</u>	<u>Total</u>
2012	\$ _____
2013	_____
2014	_____
2015	_____
2016	_____
2017-2021	_____
2022-2026	_____
2027-2031	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectability of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remanining principal to end of lease</u>
a Office space		\$ _____	\$ _____	\$ _____
b Buildings		_____	_____	_____
c Equipment		_____	_____	_____
d Land		_____	_____	_____
e. Other		_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		-		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		-		
Less estimated residual value of leased property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2011 were \$ _____ for office space, \$ _____ for buildings, \$ _____ for equipment, \$ _____ for land, and \$ _____ for other.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): (Note: If lease receivables extend past FY2031, please create additional rows and report these future minimum lease payment receivables in five year increments.)

Year ending _____:	
2012	\$ _____
2013	_____
2014	_____
2015	_____
2016	_____
2017-2021	_____
2022-2026	_____
2027-2031	_____
Total	\$ _____

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectability and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____ -
b. Building	_____	_____	_____ -
c. Equipment	_____	_____	_____ -
d. Land	_____	_____	_____ -
e. Other	_____	_____	_____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): (Note: If lease receivables extend past FY2031, please create additional rows and report these future minimum lease payment receivables in five year increments.)

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2012	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
2013					-
2014					-
2015					-
2016					-
2017-2021					-
2022-2026					-
2027-2031					-
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

Current year lease revenues received in fiscal year _____ totaled \$ _____.
 Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for buildings, \$ _____ for equipment, \$ _____ for land, and \$ _____ for other.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2011:

	<u>Year ended June 30, 2011</u>			Balance June 30, 2011	Amounts due within one year
	Balance June 30, 2010	Additions	Reductions		
Notes and bonds payable:					
Notes payable	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds payable	<u>1,200</u>	<u>-</u>	<u>400</u>	<u>800</u>	<u>400</u>
Total notes and bonds	<u>1,200</u>	<u>-</u>	<u>400</u>	<u>800</u>	<u>400</u>
Other liabilities:					
Contracts payable				-	-
Compensated absences payable	231	7		238	238
Capital lease obligations				-	-
Claims and litigation				-	-
Pollution remediation obligation				-	-
OPEB payable	376	195		571	-
Other long-term liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other liabilities	<u>607</u>	<u>202</u>	<u>-</u>	<u>809</u>	<u>238</u>
Total long-term liabilities	<u>\$ 1,807</u>	<u>\$ 202</u>	<u>\$ 400</u>	<u>\$ 1,609</u>	<u>\$ 638</u>

(Balances at June 30th should include current and non-current portion of long-term liabilities.)

(Send OSRAP a copy of the amortization schedule for any new debt issued.) The totals must equal the Balance Sheet for each type of long-term liabilities.

L. CONTINGENT LIABILITIES

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **The State has a Self-Insurance Fund administered by the Office of Risk Management and it negotiates, and settles certain tort claims against the State or State agencies. Those claims against the State not handled through the Office of Risk Management should be reported in the following note.** Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in the impairment note.

The “probable outcome” of litigation can be described as probable, reasonably possible, or remote. Probable means the future event is likely to occur; reasonably possible means the future event is more than remote but less than likely to occur; remote means the future event has a slight chance to occur. Losses or ending litigation

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

that is probable in nature should be accrued in the financial statements **and reflected on the account line, Claims and Litigation Payable.**

The WEST AUTHORITY (BTA) is a defendant in litigation seeking damages as follows:
(List only litigation not being handled by the Office of Risk Management.)

Date of Action	* Check (✓) if handled by AG's Office	Description of Litigation and Probable outcome (probable, reasonably possible or remote)	Estimated Amount for Claims & Litigation (opinion of legal counsel)	Insurance Coverage
		REASONABLY POSSIBLE	\$	\$
		TAKING OF LAND	525,000	
			\$ 525,000	\$

*** Check ONLY those cases in which the AG's Office is representing or defending your entity. Also, if the AG's Office is defending your entity in a lawsuit and you are not aware of the probable outcome or estimated liability for your entity, type "unknown" in the applicable fields and we will obtain the information from the AG's Office.**

Note: Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

- (a) Purchase of commercial insurance,
- (b) Participation in a public entity risk pool (e.g., Office of Risk Management claims)
- (c) Risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)
- (d) Other (explain) _____

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. _____

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. _____

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it cannot be estimated. _____

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

Disallowed Cost:

Those agencies collecting federal funds, which have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

	Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Liability Amount**
1	_____	_____	\$ _____	_____	\$ _____
2	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____

* Reasonably possible, probable, or remote

** Indicate only if amount can be reasonably estimated by legal counsel

M. RELATED PARTY TRANSACTIONS

FASB Codification Section 850 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from that result from related party transactions. List all related party transactions. _____

N. ACCOUNTING CHANGES

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

O. IN-KIND CONTRIBUTIONS

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
Total	\$ _____ -

P. DEFEASED ISSUES

In _____, 20____, the _____ (BTA), issued \$ _____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$ _____, plus an additional \$ _____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$ _____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$ _____.

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. **Pledged revenues are revenue bonds that the State Bond Commission or the Louisiana Public Facilities Authority has authorized in your agency's name or in your agency's behalf.** Pledged revenues must be disclosed for each period in which the secured debt remains outstanding. **You must prepare a separate Note Q for each secured debt issued.**

Provide the following information about the specific revenue pledged:

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

- a. Identify the specific pledged revenue:
- Pledged revenue is _____
 - Debt secured by the pledged revenue (amount) _____
 - Approximate amount of pledge _____ (equal to the remaining principal and interest requirements)
- b. Term of the commitment: _____ [number of years (beginning and ending dates by month and year) that the revenue will not be available for other purposes]
- c. General purpose for the debt secured by the pledge: _____
- d. Relationship of the pledged amount to the specific revenue: _____
(the proportion of the specific revenue that has been pledged)
- e. Comparison of the pledged revenues (current year information):
- Principal requirements: _____
 - Interest requirements: _____
 - Pledged revenues recognized during the period _____ (gross pledged revenue minus specified operating expenses)

NOTE: For any new Revenue Bonds, you must send a copy of the following pages:

- Cover page
- Introductory statement
- Amortization schedule – terms and conditions
- Plan of financing – sources and used of funds
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see OSRAP Memo 11-36, Appendix E)

Provide the following information in the year of the sale ONLY:

- a. Identify the specific revenue sold:
- the revenue sold is _____

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

- the approximate amount _____
- significant assumptions used in determining the approximate amount _____

b. Period of the sale: _____

c. Relationship of the sold amount to the total for that specific revenue: _____

- d. Comparison of the sale:
- proceeds of the sale _____
 - present value of the future revenues sold _____
 - significant assumptions in determining the present value _____

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2010-2011:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)			\$ _____

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____. The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT

The _____ (BTA) issues short-term notes for the following purpose(s) _____

Short-term debt activity for the year ended June 30, 20__, was as follows:

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
	\$	\$	\$	\$ -

The _____ (BTA) uses the following revolving line of credit for to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Balance	Draws	Redeemed	Balance
Line of credit	\$	\$	\$	\$ -

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2011, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
WJLD O&M SPEC REV FUND	\$	104	\$ 11	\$	\$ 115
					-
Gross receivables	\$ -	\$ 104	\$ 11	\$ -	\$ 115
Less allowance for uncollectible accounts					
Receivables, net	\$ -	\$ 104	\$ 11	\$ -	\$ 115
Amounts not scheduled for collection during the subsequent year	\$	\$	\$	\$	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2011, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
SELFPA-W GEN FUND	\$ 1	\$	\$	\$	\$ 1
WJLD O&M SPEC REV	10				10
WJLD O&M SPEC REV	10				10
WJLD WB HURRICANE C	60				60
Total payables	\$ 81	\$ -	\$ -	\$ -	\$ 81

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

W. SUBSEQUENT EVENTS

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.) .

Type of goods or services provided by each segment:

Segment No. 1 _____
Segment No. 2 _____

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

Condensed Balance sheet:

	Segment #1	Segment #2
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

	Segment #1	Segment #2
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ -	_____ -
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ -	_____ -
Beginning net assets	_____	_____
Ending net assets	_____ -	_____ -

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:

(Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR FUND	WILD O&M SPEC REV	\$ 2,163
MAJOR FUND	ALD O&M SPEC REV	1,150
MAJOR FUND	WJLD HURCAP ROJECT	578
Total due from other funds		\$ <u>3,891</u>

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR FUND	SELEPAW GEN ED	\$ 2,797
MAJOR FUND	WJLD O&M SPEC REV	578
MAJOR FUND	ALD O&M SPEC REV	516
Total due to other funds		\$ <u>3,891</u>

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR FUND	WILD O&M SPEC REV	\$ 609
Total transfers from other funds		\$ <u>609</u>

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR FUND	ALD O&M SPEC REV	\$ 609
Total transfers to other funds		\$ <u>609</u>

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending net assets 6/30/10 as reported to OSRAP on PY AFR	*Adjustments to ending net assets 6/30/10 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg. Balance 7/1/10) + or (-)	Beg net assets @ 7/1/10 as restated
\$ _____	\$ _____	_____	\$ _____ -
_____	_____	_____	_____ -
_____	_____	_____	_____ -
_____	_____	_____	_____ -
_____	_____	_____	_____ -
_____	_____	_____	_____ -

*Include all audit adjustments accepted by the agency or entity.
Each adjustment must be explained in detail on a separate sheet.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46)

Of the total net assets reported on Statement A at June 30, 20__, \$_____ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to OSRAP Memo 11-36, Appendix C, for more details on the determination of the amount to be reported as required by GASB Statement 46.

List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

<u>Purpose of Restriction</u>	<u>LA Revised Statute Authorizing Revenue</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total		\$ _____ -

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

(a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See OSRAP Memo 11-36, Appendix B, for more information on GASB 42 and the Impairment of Capital Assets.

The following capital assets became permanently impaired in FY 10-11: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in OSRAP Memo 11-36, Appendix B, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Insurance Recovery in the same FY</u>	<u>Net Impairment Loss per Financial Stmt</u>	<u>Financial Statement Classification</u>	<u>Indicator of Impairment</u>	<u>Reason for Impairment (e.g. hurricane, fire)</u>
Buildings	\$ _____	\$ _____	\$ _____	_____	_____	_____
Movable Property	_____	_____	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____	_____	_____

Insurance recoveries received in FY 10-11 related to impairment losses occurring in previous years, and insurance recoveries received in FY 10-11 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

<u>Type of asset</u>	<u>Amount of Insurance Recovery</u>	<u>Financial Statement Classification</u>	<u>Reason for insurance recovery (e.g. fire)</u>
Buildings	\$ _____	_____	_____
Movable Property	_____	_____	_____
Infrastructure	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include any permanently impaired capital assets listed above that are still idle at the end of the fiscal

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

<u>Type of asset</u>	<u>Carrying Value of Idle Impaired Assets</u>	<u>Reason for Impairment</u>
Buildings - permanently impaired	\$ _____	_____
Buildings - temporarily impaired	_____	_____
Movable Property - permanently impaired	_____	_____
Movable Property - temporarily impaired	_____	_____
Infrastructure - permanently impaired	_____	_____
Infrastructure - temporarily impaired	_____	_____

DD. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Involuntary termination benefits include benefits such as severance pay or continued access to health insurance through the employer's group insurance plan. Voluntary termination benefits include benefits such as early retirement incentives.

Other termination benefits include:

1. Early retirement incentives such as cash payments. Some state agencies adopted layoff avoidance plans to provide a mechanism to balance budget deficits while delaying or avoiding layoffs.
2. Continued access to healthcare, including COBRA costs paid by the agency
3. Career counseling
4. Outplacement services

Payments for accrued annual leave are not considered as termination benefits. Annual leave is a part of the compensation that the state offers in exchange for services received. As a result, payments for accrued annual leave upon termination are considered to be compensation for employee services. Do not report these amounts as termination benefits.

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits.

1. A description of the termination benefit arrangement(s).
2. Year the state becomes obligated
3. The number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit.
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported).

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact.

The agency recognizes the cost of providing termination benefits as expenditures when paid during the year. For FY 20__, the cost of providing those benefits for ____ (number of) terminations totaled \$ _____. For state uniform payroll agencies, these amounts are coded to G/L account 2125.

The liability for the accrued terminations benefits payable at June 30, 20__ is \$ _____. This liability consists of ____ (number of) terminations.

Provide a detailed description of termination benefits provided to employees as summarized above. Include names, job titles and amounts. Provide attachments as necessary. This information will be provided by OSRAP to all state uniform payroll agencies.

[The termination benefits payable at fiscal year end should also be included on the Balance Sheet in the "compensated absences payable" account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2011

EE. POLLUTION REMEDIATION OBLIGATIONS

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in fund net assets, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures:

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

- a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
- b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
- c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

See OSRAP Memo 09-24, <http://www.doa.la.gov/osrap/sagasb49.htm> or the Q&A at http://www.doa.la.gov/OSRAP/library/gasb34/GASB49_QA.pdf for more information on measuring pollution remediation liabilities.

SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

At fiscal year end, _____ (BTA) was a responsible party or potential responsible party in the remediation of _____ (friable asbestos, polluted ground water, removal of leaking underground fuel storage tanks, removal of lead-based paint, diesel spill cleanup, removal and replacement of contaminated soil, oversight and enforcement-related activities, post-remediation monitoring, etc.) on _____ agency's/entity's property. A possible explanation for this is _____. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of \$ _____. The _____ (agency) paid \$ _____ in remediation costs for fiscal year 2011 and is reporting a balance of \$ _____ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

(BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20

a _____ (agency/department)

Inventory Log

FYE 6/30/11

Project Name	e FP&C/DEQ Project Number	f Trigger Year	g 6/30/10 Ending Balance	b Increases	i Decreases (expenditures) (including accruals)	j Decreases (other adjustments)	k 6/30/11 Ending Balance (including accruals)	l Percent Complete	m Current Portion of L/T Debt	n Non-Current Portion of L/T Debt	o Realizable Recoveries	p 13th Period Expenditures	q Notes
<u>Projects Reported 6/30/10: b</u>													
			0	0	0	0	0		0	0	0	0	
<u>Projects Not Previously Reported: c</u>													
			0	0	0	0	0		0	0	0	0	
<u>Projects Begun after 7/1/10: d</u>													
			0	0	0	0	0		0	0	0	0	
Totals			0	0	0	0	0		0	0	0	0	

STATE OF LOUISIANA

_____(BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20_____

FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Provide your entity's ARRA revenue received in FY 2011 on a full accrual basis:

Provide your entity's ARRA expenses in FY 2011 on a full accrual basis:

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2011
(Fiscal close)**

Name		Amount
PAUL DAUPHIN	\$	3145
SUSAN MACLAY		12000
MICHAEL MERRITT		1756
MARK MORGAN		3236
GERARD VIERA		3586
JOANNES WESTERINK		1227
WESLEY WILINSON		2122
Total	\$	27,072

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

SCHEDULE 1

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF NOTES PAYABLE
 _____, 20____
 (Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

*Send copies of new amortization schedules

(Fiscal close)

Total	\$2,000	\$1,200	\$400	\$800	\$49
-------	---------	---------	-------	-------	------

Send copies of new amortization schedules for bonds and unamortized costs.

STATE OF LOUISIANA
(BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
For The Year Ended June 30, 20__

Fiscal Year				
<u>Ending:</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2012	\$ _____	\$ _____	\$ _____	\$ --
2013	_____	_____	_____	--
2014	_____	_____	_____	--
2015	_____	_____	_____	--
2016	_____	_____	_____	--
2017-2021	_____	_____	_____	--
2022-2026	_____	_____	_____	--
2027-2031	_____	_____	_____	--
2032-2036	_____	_____	_____	--
 Total	 \$ --	 \$ --	 \$ --	 \$ --

SCHEDULE 4-A

STATE OF LOUISIANA
_____ (BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

Fiscal Year Ending:	Principal	Interest
2012	\$ _____	\$ _____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017-2021	_____	_____
2022-2026	_____	_____
2027-2031	_____	_____
2032-2036	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-B

STATE OF LOUISIANA
(BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 20__

Fiscal Year <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ _____	\$ _____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
2032	_____	_____
2033	_____	_____
2034	_____	_____
2035	_____	_____
2036	_____	_____
Subtotal	--	--
Unamortized Discounts/Premiums	_____	_____
Total	\$ --	\$ --

***Note: Principal outstanding (bond series plus/minus unamortized costs) at 6/30/11
should agree to bonds payable on the Statement of Net Assets.**

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION**

NON-GAAP BASIS

JUNE 30, 2011

	Financial Statement	Adjustments	ISIS Appropriation Report-08/16/11	Revised Budget	Variance Positive/(Negative)
Revenues:					
Intergovernmental Revenues	\$	\$	\$ -	\$	-
Federal Funds			-		-
Sales of Commodities and Services			-		-
Other			-		-
Total appropriated revenues	-	-	-	-	-
Expenses:					
Cost of goods sold	\$	\$	\$ -	\$	-
Personal services			-		-
Travel			-		-
Operating Services			-		-
Supplies			-		-
Professional services			-		-
Other charges			-		-
Capital outlay			-		-
Interagency transfers			-		-
Debt service			-		-
Other:					
Bad debts			-		-
Depreciation			-		-
Compensated absences			-		-
Interest expense			-		-
Other (identify)			-		-
Total appropriated expenses	-	-	-	-	-
Excess (deficiency) of revenues over expenses (budget basis)	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Schedule 5 is only applicable for those entities whose budget is appropriated by the legislature.

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
June 30, 2011**

Excess (deficiency) of revenues over expenses (budget basis)	\$ _____
Reconciling items:	
Cash carryover	_____
Use of money and property (interest income)	_____
Depreciation	_____
Compensated absences adjustment	_____
Capital outlay	_____
Disposal of fixed assets	_____
Change in inventory	_____
Interest expense	_____
Bad debts expense	_____
Prepaid expenses	_____
Principal payment	_____
Loan Principal Repayments included in Revenue	_____
Loan Disbursements included in Expenses	_____
Accounts receivable adjustment	_____
Accounts payable/estimated liabilities adjustment	_____
OPEB payable	_____
Other	_____
Change in Net Assets	\$ _____ -

Note: Schedule 5 is only applicable for entities whose budget is appropriated by the legislature.

Page 2 of 2

STATE OF LOUISIANA

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$3 million, explain the reason for the change.

	<u>2011</u>	<u>2010</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ <u>192</u>	\$ <u>38</u>	\$ <u>154</u>	<u>405.2%</u>
Expenses	<u>5,925</u>	<u>6,380</u>	<u>(455)</u>	<u>7.1%</u>
2) Capital assets	<u>8,917</u>	<u>52,320</u>	<u>(43,403)</u>	<u>(82.9)%</u>
Long-term debt	<u>1,609</u>	<u>1,807</u>	<u>(198)</u>	<u>(10.9)%</u>
Net Assets	<u>23,141</u>	<u>63,604</u>	<u>(40,463)</u>	<u>(63.6)%</u>
Explanation for change:	<hr/> <hr/> <hr/> <hr/>			

(THIS PAGE LEFT BLANK INTENTIONALLY)

Paul C. Rivera, CPA

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information of the Southeast Louisiana Flood Control Authority – West (the “West Authority”), which is a component unit of the State of Louisiana, as of and for the year ended June 30, 2011, which collectively comprise the West Authority’s basic financial statements and have issued my report thereon dated August 31, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Authority’s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the West Authority’s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the West Authority’s financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I did identify a deficiency in internal control over financial reporting, described in the accompanying Schedule of Findings and Responses that I consider to be a significant deficiency in internal control over financial reporting (see SD11-01). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to the management of the West Authority in a separate letter dated August 31, 2011.

The West Authority's responses to the findings identified in my audit are described in the accompanying Schedule of Findings and Responses. I did not audit the West Authority's responses and, accordingly, I express no opinion on them.

This report is intended solely for the information of the Board of Commissioners of the West Authority, management, the Legislative Auditor of the State of Louisiana, and all applicable federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Marrero, Louisiana
August 31, 2011

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES
For the Fiscal Year Ended June 30, 2011**

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority") for the year ended June 30, 2011. It is noted that the West Authority is a component unit of the State of Louisiana.
2. Significant deficiencies relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*". The deficiencies are detailed in this schedule.
3. No instances of noncompliance material to the financial statements of the West Authority are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*".
4. The West Authority was not subject to a Single Audit under OMB Circular A-133.
5. A separate management letter was issued for the year ended June 30, 2011.

B. Findings Related to the Financial Audit

SIGNIFICANT DEFICIENCIES

SD11-01 - Preparation of Financial Statements by Auditor

Condition and Criteria

The West Authority does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principle. As is common in small organizations, the West Authority has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2011**

Cause

Recently issued Statement of Auditing Standards (SAS) 115 requires that I report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation

As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, I do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, I do not believe any corrective action is necessary.

Management's Response

The West Authority's staff is familiar with the day-to-day accounting requirements, however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

C. Findings and Questioned Costs - Major Federal Award Programs Audit

Not Applicable

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2011**

D. Status of Prior Year Findings and Questioned Costs

The status of findings and questioned costs noted in the prior year are as follows:

Findings Related to the Financial Audit

Prior Year Comment No.	Description	Status
SD 10-01	Preparation of financial statements by External Auditor	Not Resolved. See Current Year Comment SD 11-01.
SD 10-02	Maintaining Proper Fixed Asset Records (Infrastructure)	Resolved.

Findings and Questioned Costs - Major Federal Award Programs Audit

Not Applicable

MEMORANDUM OF ADVISORY COMMENTS

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

For the Fiscal Year Ended June 30, 2011

TABLE OF CONTENTS

	<u>Page</u>
INTERNAL CONTROL AND RELATED MATTERS	
Auditor's Letter	2
Comments and Suggestions	
Protecting the Assets of the West Authority	3
Status of Prior Year Comments and Suggestions	6

**INTERNAL CONTROL
AND RELATED MATTERS**

Paul C. Rivera, CPA

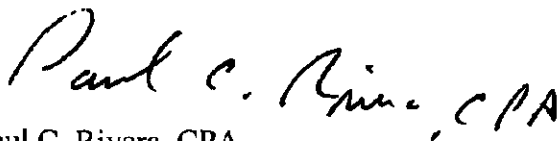
The Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority"), a component unit of the State of Louisiana, as of and for the fiscal year ended June 30, 2011, and have issued my reports thereon dated August 31, 2011. As part of my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the financial statements, and not to provide an opinion on the effectiveness of the West Authority's internal control.

Control Deficiencies, which may have been noted during my consideration of the internal control over financial reporting, have been reported on in a separately issued report, entitled "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".

This memorandum summarizes various immaterial control deficiencies, instances of noncompliance, and other matters that have come to my attention. While not involving significant control deficiencies or material weaknesses, these matters do present opportunities for strengthening the West Authority's internal controls and improving the operating efficiency of the West Authority.

I have already discussed these comments and suggestions with the West Authority's administrative personnel and have included their responses. I will be pleased to discuss these comments and suggestions with you in further detail at your convenience, perform an additional study of these matters, or assist you in implementing the recommendations.



Paul C. Rivera, CPA
Marrero, Louisiana
August 31, 2011

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2011**

PROTECTING THE ASSETS OF THE WEST AUTHORITY

IC11-1 COMMENT

The statute that created the Algiers Levee District called for an amount to be withheld from its pro-rata share of property taxes to help pay the existing long-term bonded debt of the Orleans Levee District. From 2007 to 2011, amounts were withheld and placed into escrow accounts that are being held by the Orleans Levee District. At June 30, 2011, the two escrow accounts had balances of \$797,223 and \$1,412,593.

It is my understanding that the Orleans Levee District has not yet used this money for payment of debt service. Also, there is no written agreement on the custody and disposition of these escrowed funds.

RECOMMENDATION

If these funds are not going to be used for debt service payments, as called for by the statute, the funds should revert back to the Algiers Levee District for operations and maintenance. The status and availability of these funds to the Algiers Levee District should be investigated. In addition, a formal escrow agreement should be executed between the two authorities to outline the conditions and terms of the use of these funds.

RESPONSE

We have hired legal counsel to investigate this matter and to draft a formal escrow agreement on these funds.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2011**

IC11-2 COMMENT

Act 475 of the 2007 Legislative session also carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD was to turn over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district, however, due to the timing of the reorganization and delays in setting up the new district, WJLD O&M Special Revenue Fund continued to receive the ad valorem taxes for the entire area for the current tax roll year. The Assessor's Office was asked to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 to Lafitte as a down-payment on 2008 taxes owed and \$200,000 for each of the tax years 2009 and 2010. For 2011, \$227,00 was paid to Lafitte.

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte \$227,205 for taxes in 2008, thus, it appears that WJLD owes an additional \$77,205 for that year and another \$27,205 for 2009 and 2011. WJLD is disputing these figures as it appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations; however, nothing has been done by the Assessor as of this date. Due to the uncertainty of the amount, nothing has been accrued in the financial statements.

RECOMMENDATION

The West Authority should contact the Jefferson Parish Assessor's Office again to ask for a final allocation of the 2007, 2008, 2009, and 2010 property tax rolls. The West Authority should also ask the Jefferson Parish Assessor's Office to ensure that this "splitting" of the tax rolls takes place in time for the 2011 tax roll so that 2012 collections are recorded and split properly between the two districts.

RESPONSE

The new assessor has agreed to split the Lafitte Area Independent Levee District from our tax rolls for the upcoming 2011 tax roll. Other than going back to determine if we owe anything from prior years, we consider this matter resolved.

**STATUS OF PRIOR YEAR
COMMENTS AND FINDINGS**

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**STATUS OF PRIOR YEAR COMMENTS AND FINDINGS
June 30, 2011**

Prior Year Comment No.	Prior Year Comment	Status
IC10-1	Orleans Levee District holding back funds from Algiers for debt service and not making payments.	Not Resolved – See CY Comment IC11-1
IC10-2	JP Assessor not splitting Lafitte Levee District property taxes from West Jefferson Levee District taxes.	Not Resolved – See CY Comment IC11-2